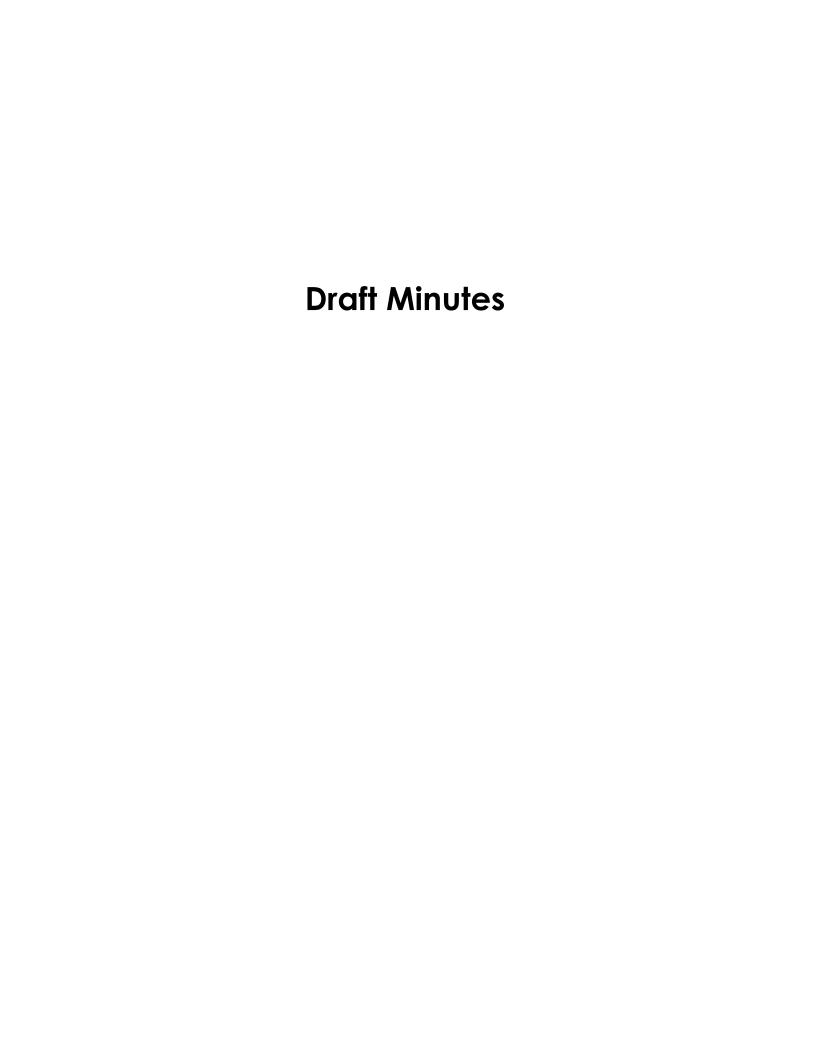
NEVADA STATE BOARD of DENTAL EXAMINERS



BOARD MEETING

SEPTEMBER 23, 2019 6:00 p.m.

PUBLIC BOOK





NEVADA STATE BOARD OF DENTAL EXAMINERS





Nevada State Board of Dental Examiners 6010 S Rainbow Blvd, Suite A1 Las Vegas, Nevada 89118

<u>Video Conferencing was available for this meeting at the Nevada State Board of Medical Exa</u>miners Office located at: 9600 Gateway Drive, Reno, Nevada 89521

PUBLIC MEETING

Friday, July 19, 2019 9:10 a.m.

DRAFT MINUTES

Board Meeting

Please Note: The Nevada State Board of Dental Examiners may hold board meetings via video conference or telephone conference call. The public is welcomed to attend the meeting at the Board office located at 6010 S. Rainbow Blvd. Suite A1: Las Vegas. Nevada 89118; or in the Conference room of the Nevada State Board of Medical Examiners office located at 1105 Terminal Way, Suite #301; Reno, NV 89502 (when applicable).

Persons wishing to comment may appear at the scheduled workshop/hearing or may address their comments, data, views, arguments or small business impact in written form to: Nevada State Board of Dental Examiners, 6010 S. Rainbow Blvd, A-1, Las Vegas, Nevada 89118, Attn: Debra Shaffer-Kugel, Executive Director; FAX number (702) 486-7046; e-mail address nsbde@nsbde.nv.gov . Written submissions must be received by the NEVADA STATE BOARD OF DENTAL EXAMINERS on or before July 17, 2019 in order to make copies available to members and the public.

The Nevada State Board of Dental Examiners may 1) address agenda items out of sequence to accommodate persons appearing before the Board or to aid the efficiency or effectiveness of the meeting; 2) combine items for consideration by the public body; 3) pull or remove items from the agenda at any time. The Board may convene in closed session to consider the character, alleged misconduct, professional competence or physical or mental health of a person. See NRS 241.030. Prior to the commencement and conclusion of a contested case or a quasi-judicial proceeding that may affect the due process rights of an individual the board may refuse to consider public comment. See NRS 233B.126.

Public Comment time is available after roll call (beginning of meeting) and prior to adjournment (end of meeting). Public Comment is limited to three (3) minutes for each individual. You may provide the Board with written comment to be added to the record.

> Asterisks (*) denote items on which the Board may take action. Action by the Board on an item may be to approve, deny, amend, or table.

1. Call to Order, roll call, and establish quorum

Mrs. Bethea called the meeting to order and Mrs. Shaffer-Kugel conducted the following roll call:

PRESENT (President)
PRESENT (Secretary-Treasurer)
EXCUSED
PRESENT
EXCUSED
PRESENT
PRESENT

Others Present: Melanie Bernstein Chapman, Board General Counsel; Sophia Long, Esquire, Deputy Attorney General/Board Co-Counsel; Debra Shaffer-Kugel, Executive Director.

Public Attendees:

Daniel Bouer, Cameraman for the LVDA.

Dr. Owen Trinh stated he was present regarding approval of his anesthesia permit application and to answer any questions the board may have.

Dr. Michael Wassef stated that he was present in support of his request for reconsideration of his license application here requesting licensure in the State of Nevada.

Dr. Robert Talley introduced himself as the Executive Director of the NDA.

Dr. Antonina Capurro introduced herself as the State Dental Health Officer and that she was present regarding her requests for Advisory Opinions.

Ms. Beth Chartier introduced herself as the Interim State Public Health Dental Hygienist.

 Public Comment: (Public Comment is limited to three (3) minutes for each individual for agenda items noticed on the Public Meeting Notice)

There was no public comment.

Note: No vote may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken. (NRS 241.020)

*3. Executive Director's Report (For Possible Action)

- *a. Minutes NRS 631.190 (For Possible Action)
 - (1) Board Meeting 05/10/2019
 - (2) Formal Hearing 06/14/2019
 - (3) Board Meeting 06/20/2019 (Teleconference)

Executive Director directed the Board members to the draft minutes provided in their meeting books and inquired if there were any amendments/corrections to be made. If none, Executive Director requested approval.

MOTION: Board Member Sanders motioned that the Board adopt both draft minutes of May 10, 2019; June 14, 2019; and June 20, 2019. Motion seconded by Board Member Moore. With no further discussion, the vote was unanimous, motion passed.

- *b. Financials NRS 631.180/NRS 631.190 (For Possible Action)
 - (1) Review Balance Sheet and Statement of Revenues, Expenses and Balances for period July 1, 2018 to May 31, 2019 (Informational Purposes only)

Mrs. Hummel was present. Mrs. Hummel inquired if the Board members had any questions regarding the financial statements. Mrs. Hummel discussed the statement of revenues and fund balances. She noted in the budget that there were expenditures that were not made; additionally, that there were unexpected funds received. Mrs. Hummel explained that because the changed the anesthesia language to remove conscious sedation and added a Pediatric Moderate Sedation permit, fees collected from said permit type was not projected funds originally included in the budget. It was noted and discussed that there were some expenses that had not been incurred.

*c. <u>Authorized Investigative Complaints</u> - NRS 631.360 (For Possible Action)

(1) Dr. "X" – The Board office received information that Dr. "X" may possibly be using vials noted as single patient use for multiple patients which would be deemed a violation of CDC Guidelines and NAC 631.178 (For Possible Action)

Executive Director advised the Board members of the alleged violations of Dr. X and requested the Board authorize an investigation against Dr. X.

- MOTION: Board Member Pinther motioned that the Board authorize the investigation against Dr. X. Motion was seconded by Board Member Sanders. No further discussion, the vote was unanimous, motion passed.
 - (2) Dr. "Y" The Board office received information that Dr. "Y" may be possibly treating patients outside the scope of dental practice which would be deemed a violation of NRS 631.215 (For Possible Action)

Executive Director advised the Board members of the alleged violations of Dr. Y and requested the Board authorize an investigation against Dr. Y.

- MOTION: Board Member Pisani motioned that the Board authorize the investigation against Dr. Y. Motion was seconded by Board Member Pinther. No further discussion, the vote was unanimous, motion passed.
 - (3) Dr. "Z" The Board office received information that Dr. "Z" may not be conducting a review of patient's utilization reports through the PMP database prior to issuing controlled substances to his/her patients which would be deemed a violation(s) of the NRS 639 and NRS 631 (For Possible Action)

Executive Director advised the Board members of the alleged violations of Dr. Z and requested the Board authorize an investigation against Dr. Z.

MOTION: Board Member Pisani motioned that the Board authorize the investigation against Dr. Z. Motion was seconded by Board Member Moore. No further discussion, the vote was unanimous, motion passed.

*d. American Association of Dental Boards (AADB) - NRS 631.190 (For Possible Action)

(1) Approve 7 Board Members, Executive Director & General Counsel for Membership to the AADB for FY20 (For Possible Action)

Executive Director explained to the newer board members what the AADB is and the annual meetings they hold twice a year. At the request of Board Members Moore and Lee, they requested that all board members be approved not only 7. DAG Long explained that as the agenda is written, it calls for 7 board members to be approved. Based on the request by Board Members Moore and Lee, this agenda item was tabled for reconsideration at the next board meeting for approval all Board members.

(2) Approve Travel to AADB Annual Meeting October 19-20, 2019 Las Vegas, Nevada (For Board Members in Northern Nevada) (For Possible Action)

Af the request of Board Members Moore and Lee, this agenda item was tabled.

*e. Office Lease: NRS 631.190 (For Possible Action)

(1) Approval/Rejection to move board office to a larger office space upon the expiration of the current office lease (For Possible Action)

Executive Director stated to the Board that the current lease was expiring in the next several months and noted that they have run out of space in the current office. Additionally, that due to a number of reason, there was a need to hire new office staff which will be included on the next budget further emphasizing the need for additional office space.

MOTION: Board Member Sanders motioned that the Board approve to move the board office to a larger space upon the expiration of the current office lease. Motion seconded by Board Member Pinther. No further discussion, the vote was unanimous, motion passed.

- *4. General Counsel's Report (For Possible Action)
 - *a. Legal Actions/Lawsuit(s) Update

General Counsel gave an update on the pending Abbey Dental case.

- *b. Consideration of Stipulation Agreements NRS 622 (For Possible Action)
 - (1) Richard Racanelli, DMD

General Counsel advised the Board Member the stipulation agreement proceeded from a patient complaint which was investigated and reviewed by the DSO and the review panel. Counsel for Dr. Racanelli was present to answer any questions. General Counsel stated that on behalf of Dr. Racanelli, she asked that the board approve the Corrective Action Plan Non Disciplinary Stipulation Agreement. Board Member Lee was asked to conduct the vote for this matter, as Board Members Bethea and Board Member Sanders currently sit on the Board. Board Member Lee called for the vote.

MOTION: Board Member Pisani motioned to approve the corrective action plan non disciplinary stipulation agreement. Motion seconded by Board Member Pinther. Discussion: Board Member Moore inquired of the tutorage involving Dr. Racanelli working with a non-Nevada licensed dentist that included diagnosing and instruction on an individual patient in the form of a live-patient Continuing Education Course. Board Member Moore expressed his confusion of how the participation of a non-licensed dentist that is diagnosing and instructing in Nevada was illegal. Executive Director explained that under NRS 631.215 "Any person shall be deemed to be practicing dentistry who: ...evaluates or diagnoses, professes to evaluate or diagnose" Board General Counsel referenced NRS 631.2715, which outlines that "The Board shall...issue a limited license to a person to supervise courses of continuing education involving live patients at an institute or organization with a permanent facility registered with the Board for the sole purpose of providing postgraduate continuing Education...." There was no further discussion, the vote was unanimous, motion passed. Abstained from the motion: Board Member Sanders and Board Member Bethea as they sit on the Review Panel. Board Member Lee abstained due to his concerns with the audit report. Board Member Moore also requested to abstain for the same reasons as Board Member Lee.

It was agreed upon to fable this agenda item until after the agenda item involving the discussion of the audit report.

Upon lengthy discussion of the audit report, the Board returned to this agenda item for discussion. Board Member Bethea handed to gavel to Board Member Cioffi the meeting for this agenda item. Board Members Sanders and Bethea recused themselves from the discussion. As discussed, the Board agreed that the audit did not have an issue with stipulation agreements.

- MOTION: Board Member Champagne motioned to adopt the corrective action plan non disciplinary stipulation agreement. Motion seconded by Board Member Pisani. With no additional discussion, the board voted unanimously, motion passed. Abstentions: Board Member Bethea and Board Member Sanders, who sit on the review panel.
- *c. Pursuant to the terms of the Disciplinary Stipulation II Agreement, Respondent hereby requests the Board to reinstate her suspended dental license. Respondent's dental license is suspended for non-compliance with the terms and conditions of the stipulated agreement approved by the Board on October 4, 2014. (For Possible Action)
 - (1) Georgene Chase, DDS

General Counsel noted that Board Members Bethea and Sanders had not reviewed the case regarding Dr. Chase. General Counsel stated that when the issue was first noticed, Dr. Chase had an attorney and requested that they place the matter on the agenda for consideration; however, that recently the attorney for Dr. Chase withdrew from representing Dr. Chase. Therefore, General Counsel recommended tabling this matter.

*d. Consideration of Application for Dental Licensure pursuant to NRS 631.240 (For Possible Action)

(1) Michael Wassef, DDS

It was noted that the Board would be discussing both agenda items (4) (d) and (e) concurrently thought they would each be voted on respectively.

Dr. Wassef was present and stepped forward to answer any questions the Board may have. General Counsel stated that Dr. Wassef was seeking licensure and was licensed in Arizona. Dr. Wassef acknowledged the Board, thanked them for their time, and stated he had practiced for a number of years, and noted he had some issues arise in the State of Arizona. He noted further, that the issues in Arizona were challenged legally which he was forthcoming of in his application which was supported with documented evidence submitted with his application for licensure. There was lengthy discussion regarding Dr. Wassef's issued with the Arizona State Dental Board. Dr. Sanders stated that as the Secretary-Treasurer he read all the information submitted by Dr. Wassef and the Arizona State Board. He noted that it was his honest opinion that not only was the information provided by the Arizona Board confusing and nonsensical, but felt that the Executive Director was absurdly vindictive in their handling of the matter with Dr. Wassef. Board Member Sanders noted that the Executive Director was no longer employed with the Arizona State Dental Board.

Board Member Lee expressed his opinion that the information from Dr. Wassef was only one side of the story, and appeared to be uncomfortable with the idea of granting a license to someone who had their license revoked by another Board. Board Member Lee inquired of Dr. Wassef that if the alleged misconduct was rather vindictive, why he had not attempted to reinstate his license. Dr. Wassef explained that based on the order of revocation, he must wait a period of five (5) years before he can reapply for a license. Dr. Wassef further noted that upon the Arizona Board first suspending his license they went before an administrative laws judge where Dr. Wassef represented himself. After the two-day hearing the judge ruled that there was no factual evidence to support their actions to suspend Dr. Wassef's license, and he reversed the Board's decision. There was additional lengthy discussion regarding the events that occurred that led to the revocation of his license in Arizona. Board Member Lee continued to argue that the information is one sided. General Counsel informed Board Member Lee that the information of the events were provided to all board members in the form of a CD, which contained documentation directly received from the Arizona Board as well as a copy of the transcripts from the hearing with the Administrative Laws Judge in Arizona; thus making it not true that the information provided was not one sided. There was additional lengthy discussion regarding this matter. Board Member Cioffi stated that the Board could not change whatever happened in the state of Arizona, but that she was comfortable with granting Dr. Wassef a license under the conditions that he agrees to an agreed upon stipulation agreement.

There was lengthy discussion regarding the precipitating events that led to the issues Dr. Wassef had with the Arizona State Board.

MOTION: Board Member Moore motioned to approve Wassef's license contingent upon approval of a stipulation agreement. Motion seconded by Board Member Cioffi. No further discussion, the vote was unanimous, motion passed.

*e. Consideration of Stipulation Agreement contingent upon the issuance of a license to practice dentistry in the State of Nevada (For Possible Action)

(1) Michael Wassef, DDS

General Counsel stated that this was for consideration of the proposed stipulation regarding Dr. Michael Wassef. She stated that there were many blanks left in the proposed stipulation agreement to allow the board to determine how they would like to fill them in. Board Member recommended that the stipulation agreement include monitoring, which would be the term used to fill in all blanks throughout the proposed stipulation agreement. General Counsel noted that Dr. Wassef had agreed to random drug testing. She noted further that the proposed stipulation agreement would authorize the Executive Director to obtain a copy of Dr. Wassef's PMP report and assign a monitor. The Board discussed each page of the proposed stipulation agreement and discussed details of each provision. Discussion was held on the frequency and

minimum number of random drug tests the Board would like included. Board Members acknowledge their unanimous agreement with the stipulation agreement as proposed. DAG Long inquired if Dr. Wassef agreed with the terms of the proposed stipulation agreement as discussed and if he voluntarily agreed to the terms. Dr. Wassef responded affirmatively.

MOTION: Board Member Moore motioned to adopt the proposed stipulation agreement. Motion seconded by Board Member Sanders. No further discussion, the vote was unanimous, motion passed.

*5. **New Business** (For Possible Action)

*a. Review, Discuss and Approve/Reject Recommendations contained in the Division of Internal Audit Report (For Possible Action)

General Counsel stated that in January of this year they were advised that the previous administration was going to be conducting an audit with the Governor's Office of Finance of internal audits division. General Counsel noted that the report of the audit became finalized in June, which was sent to the Board's office. It was noted that they were given explicit instruction that they could not discuss the audit with any of the board members, other than with the Board President. General Counsel stated that a response was filed, hoped that the Board members had reviewed the response. General Counsel stated that there were no issues with accepting the recommendations; however it was believed that there may be some misunderstandings as to what transpired as it related to the Board's process and some of the laws cited. She added that they did submit a response in an attempt to clarify the misunderstandings and noted that the first paragraph of the response does state that it was not the official response because the Board had not been given the opportunity to review the audit and to determine if they agreed with the response. General Counsel stated that the Governor rescheduled the audit for the November 7, 2019 meeting and requested for the as many of the Board members as possible be present. She noted that tit was advised that the board may want to submit an amended or revised response. DAG Long advised the Board Member to notify the Executive Director if they do plan on attending as they want to be sure resolve any potential quorum concerns should the Board establish a quorum by attending. General Counsel stated that though the audit that was approved by former Governor Sandoval stemmed from numerous public comments and allegations, it was important to note that the audit did not find merit to the allegations made. Furthermore, the audit explicitly states that there were no findings of bias, as alleged.

General Counsel stated that she would go through the recommendations in the audit and that any board member with any questions. There was discussion of the recommendation and what administrative staff has done to implement the recommendations. It was noted that some recommendations will incur an increased cost to the Board. Board Member noted that the Board had two audits done and therefore wanted clarification if the recommendations made in the first audit were not the same issues or concerns addressed in the second audit. General Counsel explained that the recent audit utilized some language from the previous audit but clarified that the concern from the first audit listed the recommendation for a review panel to provide oversight of the DSO's, whereas the current audit they are recommending the preverification review process and some complaints not being reviewed. There was discussion regarding the additional recommendations.

MOTION: Board Member Champagne motioned to accept the recommendations. Motion seconded by Board Member Sanders. No further discussion, the vote was unanimous, motion passed.

*b. Request for an Advisory Opinion regarding the application of silver diamine fluoride by dental hygienists who hold a public health endorsement – NRS 631.278 & NAC 631.210 (For Possible Action)

(1) Antonina Capurro, DMD, State Dental Health Officer

Dr. Capurro present and stepped forward. Dr. Moore inquired of Dr. Capurro that with the request is she proposing that there be an additional CE requirement, and if so how was she addressing the fix? Dr. Capurro stated currently a dental hygienist ("RDH") with a public health endorsement ("PHE") can practice independently, however, that currently the laws were unclear on whether or not a RDH with a PHE working in a PH setting can place silver diamine fluoride to arrest decay and in cases where there is a large

cavitation can place temporary restorations with non-permanent materials as a palliative treatment. She provided the proposed policy on how that would be placed. Additionally, she offered to require a CE course for PHE RDHs to complete prior to being able to use the SDF, which she briefly explained what the CE course would entail. Executive Director noted that Dr. Capurro was asking for an AO on the regulations, which states that dental hygienists – and PHE holders – may administer fluoride preparations meaning topical fluorides which the SDF falls under. Executive Director noted that one of the helpful things would be to have patients sign an informed consent because SDF is known to temporarily turn the treated teeth black. Dr. Capurro stated that they would be ensuring to obtain a signed informed consent prior to treating a patient. There was some lengthy discussion regarding the placement of placing temporary restorations and the materials that would be used.

MOTION: Board Member Lee motioned to approve the request the Advisory Opinion and that the Board write an Advisory Opinion that Silver Diamine Fluoride is included in the regulation under NAC 631.210 and to recommend how the temporary restorations be done. Executive Director asked that the once the advisory opinion is written and issued, that it be sent to all other PHE approved programs, and said programs can then request to amend their approved programs to include the board recommended changes as discussed. Motion seconded by Board Member Sanders. No further discussion, the vote was unanimous, motion passed.

*c. Request for an Advisory Opinion regarding whether telehealth is within the scope of practice pursuant to NRS 631.215 – (For Possible Action)

(1) Antonina Capurro, DMD, State Dental Health Officer

Dr. Capurro stated that telehealth is an umbrella term under NRS 629 and therefore wanted clarification if it is recognized under NRS 631.215. General Counsel stated that the board could not render an opinion on NRS 629. General Counsel noted that statute that incorporated telehealth into Nevada changed a number of professional licensing board's statutes to include telehealth within their particular statutes. She noted further, that the bill, however, did not change the Board's statutes, and that currently NRS 631.215 did not include teledentistry, specifically Dr. Capurro stated that for the same reason she was requesting if under NRS 631.215 if the telehealth services and methodologies would be within the scope of practice for dentists.

Ms. Terri Chandler explained that benefits that teledentistry could be for rural communities and for dentists with limited mobility to be able to practice and provide a form of services to said communities in need. Dr. Capurro explained how this topic of teledentistry came to fruition and thus the need for clarification. Dr. Capurro explained that Liberty Dental was building a pilot program that would assist hospital emergency rooms move non-traumatic dental cases to a teledentistry area within the hospital where a Nevada Licensed dentist would review the case. Furthermore, with the help of technology that would include live streaming with a dentist in real time at a station that would include a live intraoral camera that the patient would utilize on themselves. It was noted that the statute did not specify the methodology of how a licensed dentist may render treatment. Dr. Robert Talley commented that the statute required clarification on the particular subject. Executive Director suggested that the Board could create a regulation specifically to address teledentistry, and referred to the Ohio Dental Board's protocol as they just passed a teledentistry law, as well as look to other state dental laws that also address teledentistry.

MOTION: Board Member Moore motioned to approve the request for an advisory opinion to establish that telehealth is within the scope of NRS 631.215, with the recommendation that the Board create regulation to clearly addresses and defines telehealth. There was discussion to determine whether to use the term 'teledenistry' or 'telehealth'. Board Member Moore corrected the term to telehealth. No further discussion, the vote was unanimous, motion passed.

*d. Request the Board delegate authority to the Chair, Executive Director and/or General

Counsel to make any decision regarding litigation concerning any action or

proceeding in which the public body or any member or employee of the public body is a

party in an official capacity or participates or intervenes in an official capacity pursuant to

Assembly Bill 70 (Chapter 241) (For Possible Action)

General Counsel explained that at the recent legislative session, assembly bill 70 was passed. She explained the bill to the Board. She further explained that the Board could define the kinds of decision a delegated person or persons could make in a list of scenarios. Executive Director explained that in the past, the Board has a policy that if the board was informed of a person practicing illegally, the Board gave the authority to the Executive Director to and to the General Counsel based on evidence that an individual may be practicing illegally and authorized the Executive Director and General Counsel to move forward with filing a TRO in court to stop the person from continuing to practice illegally. By doing so, they did not have to wait for a board meeting to make the decision to go to court while the person practicing illegally continued to do so, thus preventing the board to act in the best interest of protecting the public. There was additional discussion regarding AB70 and some of the possible situations where this would be beneficial for the Board to establish and also the concerns of abuse of power. There was lengthy discussion regarding litigation and what it entailed.

It was agreed upon to table until the next board to better discuss AB70 in length.

There was discussion regarding scheduling the next board meeting to discuss the agenda items that have been tabled, which will be placed on the September 13, 2019 meeting.

*e. Approval of Voluntary Surrender of License – NAC 631.160 (For Possible Action)

	1		
(1)	Leonid Banchik, DMD	(8)	Pichak Kelk, DDS
(2)	Olya Banchik, DDS	(9)	Richard E. Lusby, DDS
(3)	Nicholas DeLisle, DMD	(10)	Clark C. Moore DMD
(4)	Andrea Eslava, DMD	(11)	Jamie Morris, DDS
(5)	John A. Gawlik, DMD	(12)	Kelly Walsh, DMD
(6)	Jeffrey S Geist, DDS	(13)	Adam Whiteley, DMD
(7)	John Jeppsen, DMD	(14)	Wendy Woodall, DDS

Executive Director advised the Board the licensee wished to surrender their licenses in the state of Nevada. The surrender is absolute and irrevocable. There is no pending matters and recommends approval of the voluntary surrender.

MOTION: Board Member Sanders moved that the board approve the request for voluntary surrender of all fourteen licensees listed. Motion was seconded by Board Member Pisani. No discussion, the vote was unanimous, motion passed.

- *f. Consideration of Application for Moderate Sedation Temporary Permit NAC 631.2254 and NAC 631.2233 (For Possible Action)
 - (1) Owen V. Trinh, DMD Moderate Sedation (patients 13 years of age & older)

Executive Director stated that Dr Moore reviewed the app and requested Dr Trinh explain his training and program. There was discussion regarding Board Member Moore's concern with the training course that was completed by Dr Trinh. Dr. Trinh was present and stepped forward. Board Member Moore went over his concerns with the program with regards to the structure of the course and based on documentation submitted with the application, it did not appear that Dr. Trinh met the requirements to be eligible for a permit. Dr. Trinh explained how the programs worked and affirmed his belief that he did qualify. The Board agreed that the documentation did not meet the requirements based on the information provided. Dr. Trinh stated suggested that the Board review his certificate for Moderate Sedation training from the Nellis Airforce base. It was suggested that Dr. Trinh obtain a letter from the Nellis AFB stating that he completed 20 cases through his training.

MOTION: Board Member Sanders motioned to approve the permit contingent upon Dr. Trinh submitting a letter from the Nellis AFB sedation training director verifying that Dr. Trinh indeed completed their training program in compliance with the Statutory requirements for a moderate sedation permit. Motion seconded by Board Member Lee. No further discussion, the vote was unanimous, motion passed.

*g. Approval for Anesthesia-Permanent Permit – NAC 631.2233 (For Possible Action)

- (1) General Anesthesia (For Possible Action)
 - (a) Mitchell D. Duckworth, DDS
 - (b) Thomas P. Myatt, DDS
 - (c) Tate L. Viehweg, DMD

Board Member Moore stated he reviewed the application and recommended approval of the permanent General Anesthesia permit for Dr. Duckworth, Dr. Myatt and Dr. Viehweg.

MOTION: Board Member Moore moved that the board approve the permanent General Anesthesia permit for Dr. Ducksworth, Dr. Myatt and Dr. Viehweg. Motion seconded by Board Member Sanders. No discussion, the vote was unanimous, motion passed.

(2) Moderate Sedation (patients 13 years of age & older) (For Possible Action)

(a) Aaron J. Osga, DDS

Board Member Moore stated he reviewed the application and recommended approval of the permanent Moderate Sedation (patients 13 years of age & older) permit for Dr. Osga.

MOTION: Board Member Mooremoved that the board approve the permanent Moderate Sedation (patients 13 years of age & older) permit for Dr. Osga. Motion seconded by Board Member Pisani. No discussion, the vote was unanimous, motion passed.

*h. Approval for Anesthesia-Temporary Permit – NAC 631.2254 (For Possible Action)

- (1) General Anesthesia (For Possible Action)
 - (a) Shawn B. Davis, DMD
 - (b) Mahyar A. Karimi, DDS
 - (c) Luke M. Nicholson, DMD

Board Member Moore stated he reviewed the application and recommended approval of the Temporary General Anesthesia permit for Dr. Davis, Dr. Karimi, and Dr. Nicholson.

MOTION: Board Member Moore moved that the board approve the temporary General Anesthesia permit for Dr. Davis, Dr. Karimi, and Dr. Nicholson. Motion seconded by Board Member Shadler. No discussion, the vote was unanimous, motion passed.

(2) Moderate Sedation (patients 13 years of age & older) (For Possible Action)

- (a) Damien V. Betancourt, DDS
- (b) Lloyd Herman, DDS

Board Member Moore stated he reviewed the application and recommended approval of the Temporary Moderate Sedation (patients 13 years of age & older) permit for Dr. Betancourt, and Dr. Herman.

MOTION: Board Member Moore moved that the board approve the temporary Moderate Sedation (patients 13 years of age & older) permit for Dr. Betancourt, and Dr. Herman. Motion seconded by Board Member Shadler. No discussion, the vote was unanimous, motion passed.

(3) Moderate Sedation (pediatric specialty) (For Possible Action)

(a) Michael J. Purcell, DDS

Board Member Moore stated he reviewed the application, that they passed the evaluation, and recommended approval of the temporary moderate sedation permit (pediatric specialty) for Dr. Purcell.

MOTION: Board Member Moore motioned that the board approve the temporary moderate sedation permit (pediatric specialty) for Dr. Purcell. Motion seconded by Board Member Pisani. No discussion, the vote was unanimous, motion passed.

- *i. Approval for a 90-Day Extension of Anesthesia Permit NAC 631,2254(2) (For Possible Action)
 - (1) Moderate Sedation (pediatric specialty) (For Possible Action)
 - (a) Andrek K. Ingersoll, DMD

MOTION: Board Member Moore moved that the board approve the request for a 90-day extension for the applicant listed. Motion seconded by Board Member Lee. Discussion: Board Member Shadler inquired why there was a request for an extension. Executive Director explained that more time may be needed to schedule an evaluation which usually occurs when there is a scheduling conflict. No further discussion, the vote was unanimous, motion passed.

*j. Approval of Non-Dental Board Member to Review Panel (For Possible Action)

(1) Ali Shahrestani, DMD

General Counsel stated that the statute implementing the Review Panel requires that it consists of a non-board member person for the dental review panel. She noted that Dr. Thiriot resigned from the review panel, thus the need to appoint a new non-board member. General Counsel noted that Dr. Shahrestani showed interest in serving on the Review Panel. She additionally noted that Dr. Shahrestani was a former board member and had discussed it with DAG Long and there did not see any conflict with the potential appointment of Dr. Shahrestani. Board Member Cioffi called for a vote.

MOTION: Board Member Pisani moved that the Board approve to appoint Dr. Ali Shahrestani as a non-board member to the Review Panel. Motion seconded by Board Member Pinther. Discussion: Board Member Cioffi inquired if there were specific qualifications that Dr. Shahrestani must meet to be a Review Panel member. Executive Director stated that Dr. Shahrestani submitted an application as a DSO along with his curriculum vitae, further, that historically the Board has looked for a licensee in good standing and has held a license for a minimum of five (5) years, requirements that Dr. Shahrestani well exceeded. With no further discussion, vote was unanimous, motion passed. Opposed: Board Member Moore. Abstentions: Board Member Bethea (review panel member), Board Member Sanders (review panel member), and Board Member Shadler (works for PDS).

*k. Approval of Infection Control Inspector – NRS 631.190 (For Possible Action)

(1) Patrick J. France, DDS

MOTION: Board Member Pisani moved that the Board approve the appoint Dr. Patrick France as an Infection Control Inspector. Motion seconded by Board Member Champagne. With no further discussion, vote was unanimous, motion passed.

*I. Legislative Session Update: (Informational Only)

Executive Director stated that Mr. McDonald could not attend the meeting due to being ill. Executive Director gave a brief overview of the bills. She noted that the bills had been enacted by the legislature.

SB366 – Dental Therapists

Executive Director stated that SB366 had been enacted and that the Board will have to develop regulations to outline certain provisions for dental therapists. It was noted that they were working on

661 662 creating the application for anyone to applying assuming they meet the requirements as outline in the state/bill.

SB130 – Radiology license for Dentist, Dental Hygienists, and Dental Assistants

Executive Director stated that SB130 that was going to require radiology licenses for dentists, dental hygienists and dental assistants, however, they were exempted from that requirement.

AB319 – Petition to determine whether a person's criminal history would disqualify the person from obtaining a license.

Executive Director stated that AB319 would now allow an individual to petition the Board to determine if a person's criminal history would disqualify that person from obtaining a license.

SB129 – Changes to Ethics Statutes for public officers and public employees

Executive Director stated that she could not recall the specific changes made to the Ethics statutes.

AB70 – Amends to Open Meeting Chapter 241

Executive Director stated that the Board discussed this bill earlier in the meeting.

SB409 – Audits conducted by the Sunset Committee and reporting requirements to LCB

Executive Director stated that SB409 previously allowed the Sunset committee to audit Boards and Commissions every ten (10) years but has changes it to every eight (8) years. Further, that the bill now required additional reporting requirements to submit to LCB.

Board Member Bethea requested that the Board create a Committee of Public Health and that she would like it placed on the Board's next agenda to assist with developing language for the new bills that require regulations. She proposed the committee include Ms. Terri Chandler, Dr. Antonina Capurro, Ms. Beth Cartier, Dr. Talley, one dental board member and one dental hygiene board member.

*6. Resource Groups: (For Possible Action)

*a. Legislative and Dental Practice (For Possible Action)

(Chair: Dr. Pinther, Dr. Lee; Dr. Moore; RDH Shadler & Ms. Cioffi)

Board Member Pinther stated there was no report.

*b. Legal and Disciplinary Action (For Possible Action)

(Chair: Dr. Blasco; Dr. Pisani; Dr. Lee; RDH Pate & Ms. Cioffi)

Board Member Pisani stated there was no report.

*c. Examinations Liaisons (For Possible Action)

*(1) WREB/HERB Representatives (For Possible Action)

(Dr. Blasco; RDH Pate)

There was no report.

*(2) ADEX Representatives (For Possible Action)

(R. Michael Sanders, DMD)

Board Member Sanders stated there was no report. Annual session august 9th & 10th

663 664 665	*d	. <u>Continuing Education</u> (For Pos (Chair: <u>Dr. Champagne</u> ; Dr. Le	
666 667	Board Mei	mber Champagne stated ther	re was no report.
668 669 670	*e.	. <u>Committee of Dental Hygie</u> (Chair: <u>RDH Pate</u> ; RDH Bethe	
671 672	Board Mei	mber Bethea stated there was	no report.
673 674 675	* f.	Anesthesia (For Possible Action) (Chair: <u>Dr. Moore</u> ; Dr. Champe	agne; Dr. Sanders)
576 577	Board Mei	mber Moore stated there was	no report.
678 679 680	*g	. Infection Control (For Possible Ac (Chair: RDH Bethea; Dr. Sand	etion) lers; Dr. Champagne; RDH Shadler)
881 882		(1) Report from Ms. Sh	adler regarding OSAP Boot Camp and CDC Guidelines
683 684 685 686	She gave	an overview of the conference	e meeting in May and thanked the board for allowing her to go. e and discussions held that were educational and informative. be in Minneapolis in May 2020.
587 588 589 590 591 592	*h.	. <u>Budget and Finance Comm</u> (Chair: <u>Dr. Sanders</u> ; Dr. Moore	
690 801	Board Mei	mber Sanders stated there wa	s no report.
391 392	7. Public	Comment: (Public Comment is I	imited to three (3) minutes for each individual)
694 695 696 697	•	y would like a subcommittee	the Board has had workgroups to discuss large issues and to work on SB366. Executive Director stated that they would
598 599		o vote may be taken upon a matter r	aised under this item of the agenda until the matter itself has been specifically
700			
701 702	8. <u>Annou</u>	<u>uncements</u> : No announceme	nts were made.
703 704	*9. <u>Adjou</u>	urnment (For Possible Action)	
705 706	Board Me	ember Bethea called for adjo	urnment.
707 708	М	leeting adjourned at 3:39 p.m	n.
708 709 710			
711 712 713 714 715			Minutes approved at the November 1, 2019 Board Meeting Respectfully Submitted by:
716 717			Debra Shaffer-Kugel, Executive Director

Recommended Proposed Budget from Budget & Finance Committee

	Actual	% Increase	Proposed Budget	Adj Per	Amended
	Jul '18 - Jun 19	(Decrease)	FYE 2020	B&F Committee	Proposed Budget
Ordinary Income/Expense					
Income					
40000 · Dentist Licenses & Fees					
40100 · DDS Active License Fee	606,471.68	10%	667,000.00		667,000.00
40102 · DDS Inactive License Fee	34,771.78	5%	36,600.00		36,600.00
40135 · DDS Activate/Inactive/Suspend	13,800.00	0%	13,800.00		13,800.00
40136 · DDS Activate Revoked License	1,800.00	0%	1,800.00		1,800.00
40140 ⋅ Specialty License App	2,000.00	10%	2,250.00		2,250.00
40145 · Limited License App	2,775.00	0%	2,775.00		2,775.00
40115 · Limited License Renewal Fee	11,100.00	0%	11,100.00		11,100.00
40146 · Limited License-S Application	1,800.00	0%	1,800.00		1,800.00
40116 · LL-S Renewal Fee	1,741.67	-10%	1,600.00		1,600.00
40150 · Restricted License App	600.00	0%	600.00		600.00
40180 · Anesthesia Site Permit App	18,000.00	3%	18,500.00		18,500.00
40182 · CS/GA/Site Permit Renewals	45,988.73	9%	49,800.00		49,800.00
40183 · GA/CS/DS or Site Permit ReInp	20,600.00	14%	23,500.00		23,500.00
40175 · Conscious Sedation Permit Appl	1,750.00	3%	1,800.00		1,800.00
40170 · General Anesthesia Permit Appl	13,250.00	6%	14,000.00		14,000.00
40186 · Pediatric Anesthesia Permit	7,000.00	50%	10,500.00		10,500.00
40184 · Infection Control Inspection	19,500.00	1%	19,700.00		19,700.00
40212 · DDS ADEX License Application	61,200.00	3%	63,000.00		63,000.00
40205 · DDS Credential Appl Fee-SpcIty	23,400.00	15%	26,400.00		26,400.00
40211 · DDS WREB License Application	76,800.00	-10%	69,000.00		69,000.00
40214 · DDS License by Endorsement	40,200.00	10%	44,200.00		44,200.00
Total 40000 · Dentist Licenses & Fees	1,004,548.86	7%	1,079,725.00		1,079,725.00
50000 · Dental Hygiene Licenses & Fees					
40105 · RDH Active License Fee	217,507.42	5%	228,300.00		228,300.00
40106 · RDH Inactive License Fee	7,507.48	3%	7,750.00		7,750.00
40130 · RDH Activate/Inactive/Suspend	11,025.00	-2%	10,800.00		10,800.00
40110 ⋅ RDH LA/N2O Permit Fee	4,100.00	0%	4,100.00		4,100.00
40224 · RDH ADEX License Application	7,200.00	5%	7,800.00		7,800.00
40222 · RDH WREB License Application	49,800.00	8%	53,400.00		53,400.00
40226 · RDH License by Endorsement	9,000.00	0%	9,000.00		9,000.00
Total 50000 · Dental Hygiene Licenses & Fees	306,139.90	5%	321,150.00		321,150.00
50750 · Other Licenses & Fees					
43650 · Reimbursed Investigation Costs	18,222.42	10%	20,000.00		20,000.00
40602 · Monitoring Fees	87.50	10%	100.00		100.00
40220 · License Verification Fee	6,075.00	0%	6,075.00		6,075.00
40227 · CEU Provider Fee	10,000.00	0%	10,000.00		10,000.00

	Actual	% Increase	Proposed Budget	Adj Per	Amended	
	Jul '18 - Jun 19	(Decrease)	FYE 2020	B&F Committee	Proposed Budget	
40225 · Duplicate License Fee	1,150.00	10%	1,250.00		1,250.00	
40555 · Fines	600.00	0%	600.00		600.00	
40185 · Lists/Labels Printed	7,633.00	1%	7,700.00		7,700.00	
40600 · Miscellaneous Income	7,546.98	-97%	200.00		200.00	
Total 50750 · Other Licenses & Fees	51,314.90	-11%	45,925.00		45,925.00	•
Total Income	1,362,003.66	6%	1,446,800.00		1,446,800.00	1
Expense						
68001 ⋅ CE Class Expenses	1,793.28	1572%	30,000.00		30,000.00	Free Licensee CE Course
60500 ⋅ Bank Charges						
60500-1 · Bank Service Fees	147.80	35%	200.00		200.00	
60500-2 · Merchant Fees	37,769.13	-45%	20,795.00		20,795.00	RDH Renewal Year
60500 · Bank Charges - Other	0.00	0.00	0.00		0.00	_
Total 60500 · Bank Charges	37,916.93	-45%	20,995.00		20,995.00	•
	40.000.40	400/				AADB x 2 per year \$24000, OSAP 1 attendee 1x year \$1,000, FARB
68000 · Conferences & Seminars	19,020.48	43%	27,250.00		27,250.00	staff \$1750, Misc \$500 AADB \$6785, AADA \$375, Adobe \$600, Lexis/Nexis Law Library \$36
						State Bar, OSAP, Jurisprudence, Microsoft \$1800, Docushare Month
63000 · Dues & Subscriptions	10,060.77	40%	14,180.00		14,180.00	Fee.
						TV's, conference table & chairs, (2) desks, back-up tapes, filing cabin
						lecture stand, flip tables, breakroom table & chairs, Telephone System
65100 · Furniture & Equipment	5,147.60	1390%	76,700.00		76,700.00	\$20,000, Data Lines \$5500, Polycom System \$30000
66500 · Insurance						
66500-1 · Liability	5,960.78	9%	6,500.00		6,500.00	Liabiity & Employee Bond
66500-2 · Workers Compensation	3,253.39	26%	4,120.00	-1,225.00	2,895.00	Fixed rate
Total 66500 · Insurance	9,214.17	15%	10,620.00	-1,225.00	9,395.00	
66520 · Internet/Web/Domain						
66520-1 · Licensing Software	0.00	100%	11,300.00		11 200 00	(3 mths) Not on original budget presented to Budget & Finance Committee
66520-2 · E-mail, Website Services	2,982.00	4%	3,100.00			Fixed Fees
66520-3 · Internet Services	3,828.35	37%	5,250.00		,	Fixed Fee, No longer split with Medical Board upon moving
66520-4 · Jurisprudence Exam Website	198.00	100%	0.00			Moved to dues & subscriptions
Total 66520 · Internet/Web/Domain	7,008.35	180%	19,650.00		19,650.00	Therea to adds a subscriptions
73500 · Information Technology	7,000.33	10076	19,030.00		19,000.00	
75500 - Information recliniology						(7) computers, (5) printers, (2) scanners, Server, Windows Software,
73500-1 · Computer Repair/Upgrade	1,805.12	1908%	36,250.00		36,250.00	Install Costs
Total 73500 · Information Technology	1,805.12	1908%	36,250.00		36,250.00	
66557 · Moving Expense	0.00	100%	4,000.00		4,000.00	Moving company & incidentals to moving
66600 · Office Supplies	11,010.78	27%	14,000.00	-2,000.00	12,000.00	
66650 · Office Expense						
68710 · Miscellaneous Expenses	3,938.59	27%	5,000.00		5,000.00	
68700 · Repairs & Maintenance						

	Actual	% Increase	Proposed Budget	Adj Per	Amended	
	Jul '18 - Jun 19	(Decrease)	FYE 2020	B&F Committee	Proposed Budget	
68700-1 ⋅ Janitorial	6,000.00	10%	6,600.00			Fixed Fee, \$500 p/m current space; \$650 p/m new space
68700-2 · Copier Maintenance	2,996.97	8%	3,250.00	-200.00		Increase in copy counts
00700-2 - Copier Maintenance	0.00	0%	0.00	200.00	0.00	
Total 68700 · Repairs & Maintenance	8,996.97	10%	9,850.00	-200.00	9,650.00	1
Total 60700 - Repairs & Maintenance	0,000.07	1070	5,050.00	200.00	3,030.00	Board/Hearing Security Service, Alarm Service (\$75 p/m) New Equipment
68725 · Security	1,983.75	95%	3,875.00		3,875.00	\$2195
68715 · Shredding Services	318.50	18%	376.00			\$23 per month plus additional services
68720 · Utilities	4,909.62	15%	5,650.00		5,650.00	Gas & Electric; increase in office space
Total 66650 · Office Expense	20,147.43	51%	9,901.00		9,901.00	
67000 · Printing	6,556.38	10%	7,200.00		7,200.00	
67500 · Postage & Delivery	12,567.50	10%	13,825.00		13,825.00	Increase in postage rates
68500 ⋅ Rent/Lease Expense						
68500-1 · Equipment Lease	1,517.56	0%	1,518.00		1,518.00	Fixed Fee
						Curr 3150 sq ft at 1.96. New 5462 sq ft @ 1.93 sq ft, 2nd, 13th, 25th
68500-2 · Office	72,674.14	29%	93,502.00		93,502.00	months free, 3% increase per annum 73% increase in space
68500-4 · Storage Warehouse	2,409.11	39%	3,360.00		3,360.00	Increase in records stored, tapes stored
Total 68500 · Rent/Lease Expense	76,600.81	28%	98,380.00		98,380.00	•
75000 ⋅ Telephone						
75000-1 · Telephone-Office	2,001.13	0%	2,000.00		2,000.00	
Total 75000 · Telephone	2,001.13	0%	2,000.00		2,000.00	
75100 · Travel (Staff)	352.11	980%	3,800.00		3,800.00	Reno Bd Meetings, Continuing Education, FARB Conference
73550 · Per Diem (Staff)	29.62	800%	270.00		270.00	
73600 · Professional Fee						
73600-1 · Accounting/Bookkeeping	17,947.50	23%	22,000.00		22,000.00	Fixed Contracts
73600-4 · Legislative Services	30,857.13	33%	41,143.00			Fixed Contract, prior year was a short year
73600-2 ⋅ Legal-General	179,543.15	8%	195,000.00		195,000.00	Einsberg \$125000, Drizin \$70000 Fixed Contracts
Total 73600 · Professional Fee	228,347.78	13%	258,143.00		258,143.00	
73700 · Verification Services	15,159.00	2%	15,465.00		15,465.00	Increase in FBI Fee
72000 · Employee Wages & Benefits						
72100 · Executive Director						
72101 · Executive Director-Wages	124,893.92	2.85%	128,440.00		128,440.00	2.85% COL increase
72102 · Exec Dir-Accrued/Used Sickleave	5,740.80	3%	5,905.00		5,905.00	
72103 · Exec Dir-Accrued/Used Vacation	4,305.60	3%	4,429.00		4,429.00	•
Total 72100 · Executive Director	134,940.32	3%	138,774.00		138,774.00	
72300 · Credentialing & Licensing Coord						
72301 · Licensing Specialist-Wages	55,556.96	2.85%	57,125.00		57,125.00	2.85% COL increase
72303 · Lic Spec-Accrued/Used Sickleave	1,945.55	3%	2,014.00		2,014.00	
72304 · Lic Spec-Accrued/Used Vacation	370.58	3%	381.00		381.00	
Total 72300 · Credentialing & Licensing Coord	57,873.09	3%	59,520.00		59,520.00	

	Actual	% Increase	Proposed Budget	Adj Per	Amended	
	Jul '18 - Jun 19	(Decrease)	FYE 2020	B&F Committee	Proposed Budget	
72132 · Site Inspection Coordinator	-					
72133 · Admin Assist I-Wages	39,705.92	2.85%	40,822.00		40,822.00	2.85% COL increase
72137 · Admin I-Accrued/Used Sickleave	1,639.96	3%	1,687.00		1,687.00	
72138 - Admin I-Accrued/Used Vacation	537.22	0.00	542.00		542.00	
Total 72132 · Site Inspection Coordinator	41,883.10	3%	43,051.00		43,051.00	•
72200 · Technology/Finance Liaison						
72201 · Admin Assist II-Wages	48,422.96	4.50%	50,612.00		50,612.00	2.85% COL increase & duty change 3/1/20
72202 · Admin Assist II-OT	138.24	450%	758.00		758.00	
72203 · Admin II-Accrued/Used Sickleave	103.68	0%	100.00		100.00	
72204 · Admin II-Accrued/Used Vacation	-368.64	-100%	0.00		0.00	_
Total 72200 ⋅ Technology/Finance Liaison	48,296.24	7%	51,470.00		51,470.00	-
72130 · Public Info & CE Coordinator						
72131 · Administrative-Wages	31,575.92	-30.90%	21,808.00	10,654.00	32,462.00	2.85% COL Increase
72134 · Administrative-OT	302.54	142%	732.00		732.00	
72135 · Admin-Accrued/Used Sickleave	1,501.47	-46%	807.00		807.00	
72139 · Admin-Accrued/Used Vacation	126.99	-100%	0.00		0.00	-
Total 72130 · Public Info & CE Coordinator	33,506.92	-30%	23,347.00	10,654.00	34,001.00	
72160 · Legal Counsel						
72161 · Legal Counsel-Wages	115,500.08	2.85%	118,778.00		118,778.00	2.85% COL Increase
72162 · Legal-Accrued/Used Sickleave	4,699.65	3%	4,829.00		4,829.00	
72163 · Legal-Accrued/Used Vacation	-2,241.44	-100%	0.00		0.00	
Total 72160 · Legal Counsel	117,958.29	5%	123,607.00		123,607.00	
72165 · Legal Assistant						
72166 · Legal Asst - Wages	13,943.34	-20%	11,187.00	-11,187.00	0.00	New Position
72168 · Legal Asst-Accr/Used Sickleave	-385.60	200%	775.00	-775.00	0.00	
72167 · Legal Asst-Accr/Used Vacation	0.00	0%	0.00	0.00	0.00	
Total 72165 · Legal Assistant	13,557.74	-12%	11,962.00	-11,962.00	0.00	
Deputy General Counsel						
DGC - Wages	0.00	100%	53,834.00	-53,834.00	0.00	New Position
DGC - Accr/Used Sickleave	0.00	100%	1,923.00	-1,923.00	0.00	
DGC - Accr/Used Vacation	0.00	100%	1,923.00	-1,923.00	0.00	•
Total Deputy General Counsel	0.00	100%	57,680.00	-57,680.00	0.00	
Receptionist						
Receptionist - Wages	0.00	100%	10,054.00	-10,054.00		New Position
Receptionist - Accr/Used Sickleave	0.00	0%	0.00		0.00	
Receptionist - Accr/Used Vacation	0.00	0%	0.00		0.00	
Total Receptionist	0.00	100%	10,054.00	-10,054.00	0.00	
Investigator-Part Time						
Investigator - Wages	0.00	100%	43,700.00	-43,700.00	0.00	New Position

	Actual	% Increase	Proposed Budget	Adj Per	Amended	
	Jul '18 - Jun 19	(Decrease)	FYE 2020	B&F Committee	Proposed Budget	
Investigator - Accr/Used Sickleave	0.00	0%	0.00		0.00	
Investigator - Accr/Used Vacation	0.00	0%	0.00		0.00	
Total Investigator	0.00	100%	43,700.00	-43,700.00	0.00	1
72010 · Payroll Service Fees	1,859.38	51%	2,800.00	-400.00	2,400.00	
72005 · Payroll Tax Expense	7,418.62	39%	10,316.00	-1,566.00	8,750.00	Based on gross wages
72600 · Retirement Fund Expense (PERS)	119,043.51	30%	155,715.00	-31,333.00	124,382.00	Based on gross wages
65525 · Health Insurance	65,524.40	44%	94,751.00	-2,530.00	92,221.00	Fixed Fee
Total 72000 · Employee Wages & Benefits	641,861.61	29%	826,747.00	-148,571.00	678,176.00	•
72400 ⋅ Board of Directors Expense						
73650-5 · BOD Hearing Stipend	3,730.00	25%	4,650.00		4,650.00	3 hearings
72400-1 · Director Stipends	12,470.00	16%	14,400.00		14,400.00	8 Bd meetings, President's review
72400-2 · Committee Mtgs-Stipends	1,440.00	28%	1,840.00		1,840.00	5 meetings
72400-3 · Director Travel Expenses	5,844.97	64%	9,564.00		-,	4 meetings/hearings
72400-9 · Refreshments - Board Mtgs/Hearings	1,665.83	0.20	2,000.00		2,000.00	Increase in # of meetings
Total 72400 · Board of Directors Expense	25,150.80	29%	32,454.00		32,454.00	
60001 · Anesthesia Eval Committee						
60001-1 · Evaluator's Fee	11,761.63	0%	11,775.00		11,775.00	
60001-4 · Travel/Misc. Expense	2,209.67	0%	2,200.00		2,200.00	
60001-5 · Calibration Expense	142.76	10040%	14,500.00		14,500.00	2 calibration sessions (\$5,000), calibration video expense (\$4,500)
Total 60001 · Anesthesia Eval Committee	14,114.06		28,475.00		28,475.00	•
73650 · Investigations/Complaints						
72550 · DSO Coordinator	3,625.00	-100	0.00	3,650.00	3,650.00	
73650-1 · DSO Consulting Fee	27,100.00	-67%	9,000.00	31,650.00	40,650.00	
73650-2 · DSO Travel/Postage Expense	589.39	0%	600.00		600.00	
73651-1 · DSO Review Panel Fee	4,725.00	160%	12,300.00		12,300.00	Increase in # of meetings
73651-2 · DSO Review Panel Travel Expense	1,379.95	100%	2,750.00		2,750.00	Increase in # meetings
Witness Fees & Expenses	0.00	100%	16,000.00	-16,000.00	0.00	
DSO Review Panel Refreshments	0.00	100%	1,200.00		1,200.00	
Investigator Exam Room Rent	0.00	100%	21,500.00	-21,500.00	0.00	CSN & Truckee Meadows Rental Agreement
73650-3 · Legal Fees-Investigations	4,044.23	0%	4,000.00		4,000.00	NVAG
73650-4 · Staff Travel	113.00	-100%	0.00		0.00	
73650-8 · DSO Calibration Expense	150.00	-100%	0.00	14,500.00	14,500.00	
73650-7 · Miscellaneous Investigation Exp	20,622.95	6%	21,800.00		21,800.00	Court Reporter, Process Service
	0.00	0%	0.00		0.00	•
Total 73650 · Investigations/Complaints	62,349.52		89,150.00	12,300.00	101,450.00	
60002 · Infection Control Inspection						
60002-1 · Initial Inspection Expense	9,234.99	-40%	5,500.00		5,500.00	Transfering to inhouse staff 3/1/20
60002-2 · Reinspection Expense	537.46	2%	550.00		550.00	Transfering to inhouse staff 3/1/20

	Actual	% Increase	Proposed Budget	Adj Per	Amended	
	Jul '18 - Jun 19	(Decrease)	FYE 2020	B&F Committee	Proposed Budget	
60002-3 · Random Inspection Expense	1,037.50	-4%	1,000.00		1,000.00	Transfering to inhouse staff 3/1/20
Calibration	0.00	100%	2,500.00			(1) Session Staff Training
60002-4 · Travel/Misc. Expense	2,573.97	-42%	1,500.00		1,500.00	Transfering to inhouse staff 3/1/20
Total 60002 · Infection Control Inspection	13,383.92	-17%	11,050.00		11,050.00	
Total Expense	1,221,599.15	36%	1,660,355.00	-139,696.00	1,520,659.00	
Net Ordinary Income	140,404.51	-252%	-213,555.00	139,696.00	-73,859.00	
Other Income/Expense						
Other Income						
40800 · Interest Income	593.72	10%	600.00		600.00	
Total Other Income	593.72	10%	600.00		600.00	
Net Other Income	593.72	10%	600.00		600.00	
Net Income/(Expenses) Over Income	140,998.23	-251%	-212,955.00	139,696.00	-73,259.00	

Original Proposed Budget

FYE 6/30/2020
Increase Proposed Budget

	Actual	Increase	Proposed Budget	
	Jul '18 - Jun 19	(Decrease) %	FYE 2020	
rdinary Income/Expense				•
Income				
40000 · Dentist Licenses & Fees				
40100 · DDS Active License Fee	606,471.68	10%	667,000.00	
40102 · DDS Inactive License Fee	34,771.78	5%	36,600.00	
40135 · DDS Activate/Inactive/Suspend	13,800.00	0%	13,800.00	
40136 · DDS Activate Revoked License	1,800.00	0%	1,800.00	
40140 · Specialty License App	2,000.00	10%	2,250.00	
40145 · Limited License App	2,775.00	0%	2,775.00	
40115 · Limited License Renewal Fee	11,100.00	0%	11,100.00	
40146 · Limited License-S Application	1,800.00	0%	1,800.00	
40116 · LL-S Renewal Fee	1,741.67	-10%	1,600.00	
40150 · Restricted License App	600.00	0%	600.00	
40180 · Anesthesia Site Permit App	18,000.00	3%	18,500.00	
40182 · CS/GA/Site Permit Renewals	45,988.73	9%	49,800.00	
40183 · GA/CS/DS or Site Permit ReInp	20,600.00	14%	23,500.00	
40175 · Conscious Sedation Permit Appl	1,750.00	3%	1,800.00	
40170 · General Anesthesia Permit Appl	13,250.00	6%	14,000.00	
40186 · Pediatric Anesthesia Permit	7,000.00	50%	10,500.00	
40184 · Infection Control Inspection	19,500.00	1%	19,700.00	
40212 · DDS ADEX License Application	61,200.00	3%	63,000.00	
40205 · DDS Credential Appl Fee-SpcIty	23,400.00	15%	26,400.00	
40211 · DDS WREB License Application	76,800.00	-10%	69,000.00	
40214 · DDS License by Endorsement	40,200.00	10%	44,200.00	
Total 40000 · Dentist Licenses & Fees	1,004,548.86	7%	1,079,725.00	Avg increase from past 4
50000 - Dental Hygiene Licenses & Fees				
40105 · RDH Active License Fee	217,507.42	5%	228,300.00	
40106 · RDH Inactive License Fee	7,507.48	3%	7,750.00	
40130 · RDH Activate/Inactive/Suspend	11,025.00	-2%	10,800.00	
40110 · RDH LA/N2O Permit Fee	4,100.00	0%	4,100.00	
40224 · RDH ADEX License Application	7,200.00	5%	7,800.00	
40222 · RDH WREB License Application	49,800.00	8%	53,400.00	
40226 · RDH License by Endorsement	9,000.00	0%	9,000.00	_
Total 50000 · Dental Hygiene Licenses & Fees	306,139.90	5%	321,150.00	Avg increase from past 4
50750 · Other Licenses & Fees				
43650 · Reimbursed Investigation Costs	18,222.42	10%	20,000.00	

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	Actual	Increase	Proposed Budget	
	Jul '18 - Jun 19	(Decrease) %	FYE 2020	
40602 · Monitoring Fees	87.50	10%	100.00	
40220 · License Verification Fee	6,075.00	0%	6,075.00	
40227 · CEU Provider Fee	10,000.00	0%	10,000.00	
40225 · Duplicate License Fee	1,150.00	10%	1,250.00	
40555 · Fines	600.00	0%	600.00	
40185 · Lists/Labels Printed	7,633.00	1%	7,700.00	
40600 · Miscellaneous Income	7,546.98	-97%	200.00	
Total 50750 · Other Licenses & Fees	51,314.90	-11%	45,925.00	
Total Income	1,362,003.66	6%	1,446,800.00	
Expense				
68001 · CE Class Expenses	1,793.28	1572%	30,000.00	Free Licensee CE Course
60500 · Bank Charges				
60500-1 · Bank Service Fees	147.80	35%	200.00	
60500-2 · Merchant Fees	37,769.13	-45%	20,795.00	RDH Renewal Year
60500 · Bank Charges - Other	0.00	0	0.00	
Total 60500 · Bank Charges	37,916.93	•	20,995.00	
68000 · Conferences & Seminars	10 020 48			AADB 3 Bd, 2 Staff x 2 per year \$24000, OSAP 1 attendee 1x year \$1,000, FARB (2) staff \$1750, Misc \$500
60000 · Comerences & Seminars	19,020.48			AADB \$6785, AADA \$375, Adobe \$600, Lexis/Nexis Law Library \$3660,
				State Bar, OSAP, Docushare ??, Jurisprudence, Microsoft \$1800,
63000 · Dues & Subscriptions	10,060.77		14,180.00	Docushare Monthly Fee.
				TV's, conference table & chairs, (2) desks, back-up tapes, filing cabinets,
				lecture stand, flip tables, breakroom table & chairs, Telephone System
65100 · Furniture & Equipment	5,147.60		76,700.00	\$20,000, Data Lines \$5500, Polycom System \$30000
66500 · Insurance				
66500-1 · Liability	5,960.78			Liabiity & Employee Bond
66500-2 Workers Compensation	3,253.39	-		Fixed rate
Total 66500 · Insurance	9,214.17		10,620.00	
66520 · Internet/Web/Domain				
66520-2 · E-mail, Website Services	2,982.00		3,100.00	Fixed Fees, Increase in # staff
66520-3 · Internet Services	3,828.35		5,250.00	Fixed Fee, No longer split with Medical Board upon moving
66520-4 · Jurisprudence Exam Website	198.00	-		Moved to dues & subscriptions
Total 66520 · Internet/Web/Domain	7,008.35		8,350.00	
73500 · Information Technology				(7) computers, (5) printers, (2) scanners, Server, Windows Software,
73500-1 - Computer Repair/Upgrade	1,805.12		36,250.00	Install Costs, Docushare Software \$1500 est.
Total 73500 · Information Technology	1,805.12	•	36,250.00	

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	Actual	Increase	Proposed Budget	
	Jul '18 - Jun 19	(Decrease) %	FYE 2020	
66557 · Moving Expense	0.00		4,000.00	Moving company & incidentals to moving
66600 · Office Supplies	11,010.78	27%	14,000.00	Increase in staff
66650 · Office Expense				
68710 · Miscellaneous Expenses	3,938.59	27%	5,000.00	
68700 · Repairs & Maintenance				
68700-1 · Janitorial	6,000.00		6,600.00	Fixed Fee, \$500 p/m current space; \$650 p/m new space
68700-2 · Copier Maintenance	2,996.97	8%	3,250.00	Increase in staff, increase in copy counts
	0.00		0.00	
Total 68700 · Repairs & Maintenance	8,996.97	•	9,850.00	
68725 · Security	1,983.75	95%	3,875.00	Board/Hearing Security Service, Alarm Service (\$75 p/m) New Equipment
68715 · Shredding Services	318.50	18%		\$23 per month plus additional services
68720 · Utilities	4,909.62	15%		Gas & Electric; increase in office space
Total 66650 · Office Expense	20,147.43	1070	9,901.00	•
67000 · Printing	6,556.38	10%	7,200.00	
67500 · Postage & Delivery	12,567.50	10%	-	Increase in postage rates
68500 · Rent/Lease Expense	12,507.50	1070	13,023.00	maiotabe in postage taxes
68500-1 · Equipment Lease	1,517.56	0%	1.518.00	Fixed Fee
4-4	.,		.,	
68500-2 · Office	72 674 14	29%	02 502 00	Curr 3150 sq ft at 1.96. New 5462 sq ft @ 1.93 sq ft, 2nd, 13th, 25th months free, 3% increase per annum 73% increase in space
68500-4 · Storage Warehouse	72,674.14 2,409.11	39%	.,	Increase in records stored, tapes stored
Total 68500 · Rent/Lease Expense	76,600.81	3970	98,380.00	,
75000 · Telephone	76,600.81		90,360.00	
75000-1 · Telephone-Office	2,001.13	0%	2,000.00	
Total 75000 · Telephone	2,001.13	•	2,000.00	•
75100 · Travel (Staff)	352.11	980%	•	Reno Bd Meetings, Continuing Education, FARB Conference
73550 · Per Diem (Staff)	29,62	800%	270.00	Action by Modelings, Continuing Education, 1744 by Contention
73600 · Professional Fee	23.02	50076	270.00	
73600-1 - Accounting/Bookkeeping	17,947.50		22 000 00	Fixed Contracts
73600-4 · Legislative Services	30,857.13		•	Fixed Contract, prior year was a short year
73600-2 · Legal-General	179,543.15		•	Einsberg \$125000, Drizin \$70000 Fixed Contracts
Total 73600 · Professional Fee	228,347.78	•	258,143.00	
73700 · Verification Services	15,159.00	2%	•	Increase in FBI Fee
72000 · Employee Wages & Benefits	10, 100.00	270	15, 155.00	
72100 · Executive Director				
72101 · Executive Director-Wages	124,893.92		128,440.00	2.85% COL increase
-				

FYF	6/30/2020	
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	Actual	Increase	Proposed Budget	
	Jul '18 - Jun 19	(Decrease) %	FYE 2020	
72102 · Exec Dir-Accrued/Used Sickleave	5,740.80		5,905.00	•
72103 · Exec Dir-Accrued/Used Vacation	4,305.60		4,429.00	
Total 72100 · Executive Director	134,940.32		138,774.00	
72300 · Credentialing & Licensing Coord				
72301 · Licensing Specialist-Wages	55,556.96		57,125.00	2.85% COL increase
72303 · Lic Spec-Accrued/Used Sickleave	1,945.55		2,014.00	
72304 · Lic Spec-Accrued/Used Vacation	370.58		381.00	
Total 72300 · Credentialing & Licensing Coord	57,873.09	•	59,520.00	
72132 · Site Inspection Coordinator				
72133 · Admin Assist I-Wages	39,705.92		40,822.00	2.85% COL increase
72137 · Admin I-Accrued/Used Sickleave	1,639.96		1,687.00	
72138 · Admin I-Accrued/Used Vacation	537.22	_	542.00	
Total 72132 · Site Inspection Coordinator	41,883.10	•	43,051.00	
72200 · Technology/Finance Liaison				
72201 · Admin Assist II-Wages	48,422.96		50,612.00	2.85% COL increase & duty change 3/1/20
72202 · Admin Assist II-OT	138.24		758.00	
72203 · Admin II-Accrued/Used Sickleave	103.68		100,00	
72204 · Admin II-Accrued/Used Vacation	-368.64	_	0.00	
Total 72200 · Technology/Finance Liaison	48,296.24	•	51,470.00	
72130 · Public Info & CE Coordinator				
72131 · Administrative-Wages	31,575.92		21,808.00	2.85% COL
72134 · Administrative-OT	302.54		732.00	
72135 · Admin-Accrued/Used Sickleave	1,501.47		807.00	
72139 · Admin-Accrued/Used Vacation	126.99		0.00	•
Total 72130 · Public Info & CE Coordinator	33,506.92	•	23,347.00	
72160 - Legal Counsel				
72161 · Legal Counsel-Wages	115,500.08		118,778.00	2.85% COL Increase
72162 · Legal-Accrued/Used Sickleave	4,699.65		4,829.00	
72163 · Legal-Accrued/Used Vacation	-2,241.44	_	0.00	
Total 72160 · Legal Counsel	117,958.29	•	123,607.00	
72165 · Legal Assistant				
72166 · Legal Asst - Wages	13,943.34		11,187.00	New Position
72168 · Legal Asst-Accr/Used Sickleave	-385.60		775.00	•
72167 · Legal Asst-Accr/Used Vacation	0.00	_	0.00	
Total 72165 · Legal Assistant	13,557.74	•	11,962.00	

FYE 6/30/2020

	Actual	Increase	Proposed Budget	
	Jul '18 - Jun 19	(Decrease) %	FYE 2020	
Deputy General Counsel			···	
DGC - Wages	0.00		53,834.00	New Position
DGC - Accr/Used Sickleave	0.00		1,923.00	
DGC - Accr/Used Vacation	0.00		1,923.00	
Total Deputy General Counsel	0.00	·	57,680.00	
Receptionist				
Receptionist - Wages	0.00		10,054.00	New Position
Receptionist - Accr/Used Sickleave	0.00		0.00	
Receptionist - Accr/Used Vacation	0.00		0.00	
Total Receptionist	0.00	·	10,054.00	
Investigator-Part Time				
Investigator - Wages	0.00		43,700.00	New Position
Investigator - Accr/Used Sickleave	0.00		0.00	
Investigator - Accr/Used Vacation	0.00		0.00	
Total Investigator	0.00	•	43,700.00	
72010 · Payroll Service Fees	1,859.38	51%	2,800.00	Increase in staff
72005 · Payroll Tax Expense	7,418.62		10,316.00	Based on gross wages
72600 · Retirement Fund Expense (PERS)	119,043.51		155,715.00	Based on gross wages
65525 · Health Insurance	65,524.40		94,751.00	Fixed Fee
Total 72000 · Employee Wages & Benefits	641,861.61	•	826,747.00	
72400 · Board of Directors Expense				
73650-5 · BOD Hearing Stipend	3,730.00		4,650.00	3 hearings
72400-1 · Director Stipends	12,470.00		14,400.00	8 Bd meetings, President's review
72400-2 · Committee Mtgs-Stipends	1,440.00		1,840.00	5 meetings
72400-3 · Director Travel Expenses	5,844.97		9,564.00	4 meetings/hearings
72400-9 · Refreshments - Board Mtgs/Hearings	1,665.83	20%	2,000.00	Increase in # of meetings
Total 72400 · Board of Directors Expense	25,150.80	·	32,454.00	
60001 · Anesthesia Eval Committee				
60001-1 · Evaluator's Fee	11,761.63	0%	11,775.00	
60001-4 · Travel/Misc. Expense	2,209.67	0%	2,200.00	
60001-5 · Calibration Expense	142.76		14,500.00	2 calibration sessions (\$5,000), calibration video expense (\$4,500)
Total 60001 · Anesthesia Eval Committee	14,114.06	•	28,475.00	
73650 · Investigations/Complaints	,		==,	
72550 · DSO Coordinator	3,625.00	-100	0.00	In-house investigator pending hire
73650-1 · DSO Consulting Fee	27,100.00	-67%	9,000.00	
	27,	70	2,223.00	

	FYE 6/3	0/2020	
Actual	Increase	Proposed Budget	

	Actual	Increase	Proposed Budget	
	Jul '18 - Jun 19	(Decrease) %	FYE 2020	
73650-2 · DSO Travel/Postage Expense	589.39	0	600.00	In-house investigator expenses included
73651-1 · DSO Review Panel Fee	4,725.00	160%	12,300.00	Increase in # of meetings
73651-2 · DSO Review Panel Travel Expense	1,379.95	100%	2,750.00	Increase in # meetings
Witness Fees & Expenses	0.00		16,000.00	
DSO Review Panel Refreshments	0.00		1,200.00	
Investigator Exam Room Rent			21,500.00	CSN & Truckee Meadows Rental Agreement
73650-3 · Legal Fees-Investigations	4,044.23	0%	4,000.00	NVAG
73650-4 · Staff Travel	113.00	-100%	0.00	
73650-8 · DSO Calibration Expense	150.00	-100%	0.00	In-house investigator
73650-7 · Miscellaneous Investigation Exp	20,622.95	6%	21,800.00	In-house investigator CE, Court Reporter, Process Service
	0.00	_	0.00	
Total 73650 · Investigations/Complaints	62,349.52	-	89,150.00	
60002 · Infection Control Inspection				
60002-1 · Initial Inspection Expense	9,234.99	-40%	5,500.00	Transfering to inhouse staff 3/1/20
60002-2 · Reinspection Expense	537.46	2%	550.00	Transfering to inhouse staff 3/1/20
60002-3 · Random Inspection Expense	1,037.50	-4%	1,000.00	Transfering to inhouse staff 3/1/20
Calibration	0.00	100%	•	(1) Session Staff Training
60002-4 · Travel/Misc. Expense	2,573.97	-42%	1,500.00	Transfering to inhouse staff 3/1/20
Total 60002 · Infection Control Inspection	13,383.92	_	11,050.00	
Total Expense	1,221,599.15	-	1,649,055.00	
Net Ordinary Income	140,404.51	-	-202,255.00	
Other Income/Expense				
Other Income				
40800 · Interest Income	593.72	1%	600.00	
Total Other Income	593.72	_	600.00	
Net Other Income	593.72	-	600.00	
Net Income/(Expenses) Over Income	140,998.23	-	-201,655.00	
		=		



LEASE

BY AND BETWEEN

Transwestern Investment Holdings VD, LLC

Pageantry 1D LLC

Pageantry 2D LLC

Pageantry 3D LLC

Pageantry 4D LLC
Pageantry 5D LLC

Pageantry 6D LLC

Pageantry 7D LLC

Pageantry 8D LLC

AS "LANDLORD"

and

NEVADA STATE BOARD OF DENTAL EXAMINERS-THE BOARD

AS "TENANT"

8925 W. RUSSELL ROAD SUITE 205 LAS VEGAS, NEVADA

September 5, 2019

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OFFICE BUILDING

LEASE AGREEMENT

This Office Building Lease Agreement ("Lease") is made between the Landlord and Tenant hereinafter identified in Sections 1:2 and 1.3 hereof, respectively, and constitutes a lease between the parties of the "Premises" as identified in Section 1.6 hereof on the terms and conditions and with and subject to the covenants and agreements of the parties hereinafter set forth by basic lease provisions. The Premises are located within the Building and Project described in Section 1.5. Tenant shall have the exclusive right of use of the Usable Square Feet of the Premises described in Section 1.6 hereof, and the non-exclusive right (unless otherwise provided herein) in common with Landlord, other tenants, subtenants and invitees, to use of the Common Areas (as defined in Section 2.3 below).

ARTICLE 1 BASIC LEASE PROVISIONS

The following are certain Lease provisions, which are a part of, and, in certain instances, referred to, in subsequent provisions of this Lease:

9/5/2019

SECTION 1.1
DATE OF LEASE:

SECTION 1.2

SECTION 1.2 LANDLORD:

Transwestern Investment Holdings VD, LLC, etal

SECTION 1.3 TENANT:

Nevada State Board of Dental Examiners

SECTION 1.4

TENANT'S TRADE NAME:

Nevada State Board of Dental Examiners

SECTION 1.5

PROJECT/BUILDING:

The building of which the Premises are a part (the "Building") and any other buildings or improvements on the real property (the "Property") located at 8925 W. Russell Road, Las Vegas, Nevada and further described at Exhibit "B". The Project is known as Pageantry West Office Park. (See

Section 2.1)

SECTION 1.6 PREMISES:

Suite/Space No. 205 containing approximately 5,462 Rentable square feet of floor area (4,697 Usable square feet

within the perimeter of Suite 205). (See Section 2.2)

SECTION 1.7

TERM:

Eighty-four (84) months from the Lease Commencement

Date ("Expiration Date") (See Section 3.1)

SECTION 1.8

COMMENCEMENT DATE:

<u>Lease Commencement Date</u>: (subject to Section 4.1 below)
The Lease Commencement Date is: March 1, 2020 and the

Expiration Date is February 28, 2027.

(See Section 3.1)

SECTION 1.9 TENANT'S INITIAL PRO RATA SHARE: 5.2 %. Such share is a fraction, the numerator of which is the Rentable Area of the Premises, and the denominator of which is the Rentable Area of the Project. The total Rentable Area of the Project/Building is 105.583 Rentable

square feet.

SECTION 1.10 BASE RENT AND ESCLATIONS: The initial Base Rent shall be \$1.93 per rentable sq. ft., per month. Base Rent will increase by 3% on an annual basis.

The Base Rent shall be as follows:

\$10,541.66 per month
\$10,857.91 per month
\$11,183.65 per month
\$11,519.16 per month
\$11,864.73 per month
\$12,220.67 per month
\$12,587.29 per month

It is understood and agreed by Landlord and Tenant that the Base Rent and Escalations amounts set forth in Section 1.10 (hereinafter referred to as "Rent" or "Rental amounts") include and shall compensate Landlord for Tenant's pro rata share of any and all Operating Expenses attributable to the Premises, Building and/or Project. There shall be no additional amounts charged to Tenant for any Operating Expenses or "CAMs," and there shall be no pass-through of Operating Expenses, "CAMs," property taxes, insurance premiums paid by Landlord as described in Section 11.3, or any other type of operating expense to Tenant in addition to the Rental Amounts set forth herein.

SECTION 1.11 BASE YEAR:

N/A (See Section 8.7)

SECTION 1.12
RENT/SECURITY DEPOSIT:

Within fifteen (15) days of approval of the Lease by the State Board of Examiners, Tenant shall be required to pay the first months Base Rent equal to \$10,541.66 and a Security Deposit equal to the last months Base Rent (\$12,587.29). For a total amount of \$23,128.95 (See Sections 7., 7.2 and 7.3)

SECTION 1.13 PERMITTED USE: General administrative office use for Nevada State Board of Dental Examiners-The Board (See Section 12.1)

SECTION 1.14
GUARANTOR(S):

Nevada State Board of Dental Examiners

SECTION 1.15 TENANT'S IMPROVEMENT ALLOWANCE: Landlord shall complete the improvements to Suite 205 based on the attached mutually accepted space plan per "Exhibit D and Exhibit E", to include but not be limited to: Building Standard paint, flooring (vinyl plank throughout entire space and carpet in File Room), window blinds, relaminate all existing countertops in the "Copy" room/area to match, create new small conference room/office with door, and remove door to "Copy" room/area and replace with arched opening.

SECTION 1.16 BROKER(S):

Landlords: Barton Hyde & Aaron Drawhorn of Avison Young Las Vegas

Tenants: Rosemarie Cortez-Kudo & Scott Wells of Signature Real Estate Group

SECTION 1.17
ADDRESSES FOR NOTICES AND REPORTS:

Landlord:

Transwestern Investment Holdings VD, LLC, etal 5940 S. Rainbow Las Vegas, NV 89118

<u>Tenant:</u>
Nevada State Board of Dental Examiners 8925 W. Russell Rd., Suite 205
Las Vegas, Nevada 89148

SECTION 1.18 LANDLORD'S ADDRESS FOR RENT PAYMENTS: Transwestern Investment Holdings VD, LLC 8020 S. Rainbow Suite 100-399 Las Vegas. NV 89139

SECTION 1.19 BUILDING HOURS: Monday through Friday 7:00 a.m. to 6:00 p.m. and Saturday 9:00 a.m. to 2:00 p.m. (See Section 4.1). Tenant shall have access to and use of the Premises 24 hours per day, 7 days per week, 52 weeks per year.

SECTION 1.20 PARKING:

Landlord shall provide and maintain automobile parking areas for the benefit and use of the visitors, patrons, employees and invitees of Tenant and other tenants and occupants of the Building. Tenant, its employees, visitors and invitees shall be permitted to park cars (based upon a ratio of 5:1,000 per rentable square feet) on a non-exclusive basis in the area(s) designated by Landlord for parking. Tenant shall abide by any and all parking regulations and rules established from time to time by Landlord or Landlord's parking operator. Tenant shall be permitted the exclusive use of 4 covered reserved parking spaces, at no cost, during the Lease Term. (See Section 8.4)

SECTION 1.21 TENANT'S

FIRST ADJUSTMENT DATE

SECTION 1.22 RENT ABATEMENT Tenant is provided Rent Abatement for months 2, 13 and 25 during the Lease Term.

SECTION 1.23 EXPENSE STOP (if applicable):

N/A (See Section 8.7)

N/A (See Section 6.5)

SECTION 1.24 INDEX:

N/A (See Section 6.3)

SECTION 1.25 SIGNAGE Tenant shall be provided with Building Standard interior directory and suite identification signage at the Landlord's sole cost and expense. Any additional signage will be at Tenant's cost and expense and approved by Landlord prior to installation.

SECTION 1.26 ADDENDUMS N/A

ARTICLE 2

GRANT

2.1 Project. The Project consists of the land and those buildings and improvements shown on the site plan ("Site Plan") attached hereto as Exhibit "G" and constructed on the Land. The Site Plan sets forth the general layout of the Project and the approximate location of the Building and the Premises within the Project, but is for informational purposes only and does not constitute a warranty, representation, or agreement of any kind on the part of Landlord. Landlord reserves the right, for itself and for the underlying Lessor, if any, without incurring any liability to Tenant and without altering in any way Tenant's obligations under this Lease, to (i) change the tenant mix of the Project without prior notice, (ii) increase, reduce, or change the size, height, or layout of the Project or any part thereof, including without limitation the right not to construct any proposed improvements or portion of the Project which may or may not be shown on the Site Plan and the right to change the parking plan, and/or parking ratios

(provided however, the Tenant's parking ration shall not be changed without the Tenant's prior written consent) or to construct new buildings and structures in the Project and to remove and replace existing buildings, tenants and structures in the Project, and (iii) make alterations to and build additional stories on the building in which the Premises are located, and to construct other buildings and improvements in the Project, including any modifications of the Common Area (as hereafter defined). Tenant hereby consents to the exercise by Landlord of the rights set forth in this paragraph and agrees that the exercise of such rights by Landlord or by the underlying lessor, if any, shall not diminish Tenant's obligations under this Lease, provided, however, that if the Premises or Tenant described herein is/are removed or displaced pursuant to this paragraph, the Tenant shall be provided with acceptable, alternate accommodations pursuant to the same terms, conditions, covenants, conditions and obligations stated in the Lease, with all necessary moving costs to be paid by Landlord.

- 2.2 <u>Premises</u>. Landlord leases to Tenant and Tenant leases from Landlord the Premises described in Section 1.6 for the Term (as defined in Article 3) and pursuant to all of the terms, covenants and conditions contained herein. The Premises are being leased to Tenant subject to covenants, restrictions and easements of record. Landlord reserves the right to use the exterior walls, floor, and roof in, above and below the Premises, and retains the right to install, maintain, use, repair, and replace structural elements and utility equipment, including, but not limited to, pipes, ducts, conduits, wires, and appurtenant fixtures in, under, over, and through the Premises, in locations that will not materially interfere with Tenant's use of the Premises.
- 2.3 <u>Common Area.</u> The term "<u>Common Area</u>" means parking areas (including parking decks), roadways, pedestrian sidewalks, truckways, loading docks for use by more than one tenant, delivery areas, landscaped areas, roofs, elevators and escalators and stairs not contained in leased areas, service, fire and exit corridors, passageways, retention ponds (if applicable), bathrooms and all of the areas or improvements which may, at the commencement of the Term hereof and at any time during the Term, be provided upon the Project/Building, for the convenience and use of the tenants of the Project and their respective subtenants, agents, employees, customers, invitees and any other licensees of Landlord. All Common Areas and facilities which Tenant may be permitted to use and occupy for Tenant's purposes, shall be used and occupied under a revocable license.

ARTICLE 3 TERM

- 3.1 Term. The Term of the Lease ("Term") shall commence upon the Lease Commencement Date and shall expire, unless sooner terminated in accordance with this Lease, upon the Expiration Date. Following the Lease Commencement Date, upon Landlord's request, Tenant shall promptly execute and deliver a "Memorandum of Lease Commencement" in the form attached hereto as Exhibit "A", which shall specify the Lease Commencement Date and the Expiration Date. If Tenant fails to so execute or deliver a Memorandum of Rent Commencement, such failure shall not affect Landlord's obligation to deliver possession of the Premise or Tenant's obligation to commence paying rent upon the occurrence of the Lease Commencement Date. If the Lease Commencement Date occurs on a day other than the first day of a calendar month, the monthly installment of Base Rent for the first fractional month shall be equal to one-thirtieth (1/30) of the monthly installment of Base Rent for each day from the Lease Commencement Date to the end of the partial month.
- 3.2 Option to Renew. The Tenant shall have the option to renew this Lease Agreement for a renewal period of five (5) years to begin on March 1, 2027 and end on February 28, 2032 ("Renewal Period"), pursuant to the same terms, conditions, covenants, and obligations as provided in this Lease Agreement, except that, the renewal period may be subject to a rental payment schedule and/or improvement allowance to be negotiated and agreed upon by the Parties in good faith upon the Tenant providing notice of its intention to renew. Exercise of this option to renew requires written notice to the Landlord not less than nine (9) months prior to the expiration of the Lease Term described herein.
- 3.3 <u>Holding Over.</u> This Lease shall terminate without further notice upon the Expiration Date and any holding over by Tenant after the Expiration Date shall not constitute a renewal or extension of this Lease, or give Tenant any rights under this Lease, except when signed in writing, by both parties. If Tenant holds over for any period after the Expiration Date (or earlier termination) of the term, Landlord may, at its option, treat Tenant as a tenant at sufferance only, commencing on the first (1st) day following the termination of this Lease and subject to all of the terms of this Lease, except that the monthly Base Rent shall be one hundred twenty-five percent (125%) of the last monthly rental installment.

If Tenant fails to surrender the Premises upon the expiration of this Lease, Renewal Period or any subsequent renewal periods, despite demand to do so by Landlord, Tenant shall indemnify and hold Landlord harmless from all loss or liability, including, without limitation, any claims made by any succeeding tenant relating to such failure to surrender provided that Tenant has received sixty (60) days advance notice of any succeeding tenant. Acceptance by Landlord of rent after the termination shall not constitute a consent to a holdover or result in a renewal of this Lease. The foregoing provisions of this Section are in addition to, and do not effect, Landlord's right to re-entry or any other rights of Landlord under this Lease or at law.

Nothing in this section shall prevent the Tenant's exercise of the renewal period(s) described in Section 3.2.

ARTICLE 4 POSSESSION

4.1 **Delivery of Possession.** If for any reason Landlord does not deliver possession of the Premises to Tenant on the Lease Commencement Date, Landlord and Tenant agree to execute a written addendum to this Lease within ten (10) days of delivery of possession extending the Expiration Date for the length of the delay. Landlord shall not be subject to any liability for such failure to deliver possession and the validity of this Lease shall not be impaired, but Rent shall be abated until delivery of possession; except that if Landlord's failure to so deliver possession on the Lease Commencement Date is attributable to: (i) Tenant's delays in the reasonable approval or preparation of plans and specifications for improvements, (ii) unreasonable delays caused by the Tenant's contractors or agents in performing services for which Tenant is responsible, or (iii) Tenant's negligence or willful misconduct, then Landlord shall be entitled to full performance by Tenant (including the payment of rent) from the Commencement Date. "Delivery of possession" shall be deemed to occur on the date Landlord substantially completes the Tenant's improvements. If Landlord permits Tenant to enter into possession of the Premises before the Lease Commencement Date, such possession shall be subject to the provisions of this Lease, except for the payment of Rent, which will be abated until March 1, 2020 regardless of any earlier delivery of possession. By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in good and sanitary order, condition and repair, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations governing and regulating the use of the Premises and any covenants or restrictions of record, and accepts this Lease subject thereto as to all matters disclosed thereby and by any exhibits attached hereto. Tenant acknowledges that neither Landlord nor Landlord's agent has made any representation or warranty contrary or in addition to what is contained in this Lease Agreement, as to the present or future suitability of the Premises for the conduct of Tenant's business, with the exception of clearance for the load weight to be placed in the area designated in Exhibit D as the "File Room," as noted by the structural engineer's approval of the weight amounts Tenant advised may be placed in that area. Tenant shall have access to the Building through all public entrances during the Building Hours. After Building Hours Tenant shall be allowed access through those entrances designated by the Landlord as after-hour entrances by means of cards or keys provided by Landlord for such purpose.

ARTICLE 5 CONSTRUCTION

- 5.1 Tenant's Construction. Tenant shall commence the installation of fixtures, equipment and any other Tenant's alterations, if any, promptly upon substantial completion of Landlord's Work and Tenant shall diligently pursue such installation and work to completion. All of Tenant's alterations shall be at Tenant's sole cost and expense pursuant to plans and specifications which meet Landlord's reasonable approval. Tenant shall provide its own trash container(s) as needed for containment and removal of construction debris from Tenant's alterations and Tenant shall remove said trash containers prior to opening for business. The location of the trash containers shall be reasonably designated by Landlord. During the Tenant improvement period, Tenant and its contractor, if any, shall keep the Project free of all construction and related debris. Prior to opening for business, Tenant shall remove all construction and related debris from the Premises and the Project, and all such areas shall be left in a broom clean condition. Tenant's contractor shall name Landlord as an additional insured on contractor's insurance policies. All Tenant's alterations shall be undertaken and completed in a good, workmanlike manner, and Tenant shall obtain all necessary governmental permits, licenses and approvals with respect thereto and shall fully comply with all governmental statutes, ordinances, rules and regulations pertaining thereto. Tenant covenants that no work by Tenant's employees, agents or contractors, shall disrupt or cause a slowdown or stoppage of any work conducted by Landlord on the Premises or Project.
- 5.2 <u>Landlord's Construction</u>. Landlord shall deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Premises upon substantial completion of Landlord's Work as described in Section 1.15

and attached mutually agreeable space plan, set forth in Exhibit "D" and Scope of Work Exhibit "E". All improvements to the Premises described in Section 1.15 and/or in Exhibit "D" and Exhibit "E" are the responsibility of Landlord and are to be completed at Landlord's sole expense unless otherwise agreed upon in writing by Tenant. Tenant will not take possession pursuant to Section 4.1, nor shall Tenant have any Rental Payment obligation for the Premises prior to the later of March 1, 2020 or completion of the Landlord's Work and delivery of possession as described herein. Tenant shall not have any premises liability for the Premises or any person on or in the premises prior to the completion of the Landlord's Work as described herein and delivery of possession pursuant to Section 4.1.

ARTICLE 6

- **6.1** <u>General Provisions.</u> As used herein, "<u>rent</u>" or "<u>Rent</u>" shall mean Base Rent and Escalations as described in Section 1.10 and as hereinafter defined. Unless provided herein to the contrary, Tenant shall pay all rent to Landlord on or before the first day of each month of the Term at the address provided in Section 1.18 hereof, commencing upon the Lease Commencement Date specified in Section 1.8 and as further specified in Section 1.22, and continuing until the Expiration Date or the expiration of any renewal term pursuant to Sections 3.2 and/or 3.3.. All rent shall be paid, to Landlord, in lawful money of the United States of America without demand therefore, and without deduction, offset or abatement of any kind, except as specified in this Lease, including but not limited to, Sections1.22, 4.1 and/or 5.2. Rent for any partial month, including any month adjusted pursuant to Section 3.1 hereof, shall be prorated on the basis of a thirty (30) day month. Within fifteen (15) days following the approval of this Lease by the State Board of Examiners, Tenant shall pay to Landlord the sum equal to the first full monthly installment of Base Rent No payment by Tenant or receipt by Landlord of lesser amounts of rent than those herein stipulated shall be deemed to be other than on account of the earliest unpaid stipulated rent. No endorsement or statement on any check or any letter accompanying any check or payment as rent shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease. Any credit due to Tenant hereunder by reason of overpayment of additional rent shall first be applied to any damages or rent owed to Landlord by Tenant if Tenant shall be in default when said credit shall be owed.
- 6.2 <u>Base Rent</u>. Subject to Section 6.3, Tenant shall pay Landlord as fixed rent ("<u>Base Rent</u>") during the Term of this Lease, the sum set forth in Section 1.10 hereof, which sum shall be payable by Tenant, monthly, on or before the first day of each month. It is understood and agreed by Landlord and Tenant that the Base Rent and Escalations amounts set forth in Section 1.10 (hereinafter referred to as "Rent" or "Rental amounts") include and shall compensate Landlord for Tenant's pro rata share of any and all Operating Expenses attributable to the Premises, Building and/or Project. There shall be no additional amounts charged to Tenant for any Operating Expenses or "CAMs," and there shall be no pass-through of Operating Expenses, "CAMs," property taxes, insurance premiums paid by Landlord as described in Section 11.3, or any other type of operating expense to Tenant in addition to the Rental Amounts set forth herein during the Term, the First Renewal Period or any subsequent renewal periods.
- **6.3** Rent Control. If the amount of Rent or any other payment due under this Lease violates the terms of any governmental restrictions on such Rent or payment, then the Rent or payment due during the period of such restrictions shall be the maximum amount allowable under those restrictions. Upon termination of the restrictions, Landlord shall, to the extent it is legally permitted, recover from Tenant the difference between the amounts received during the period of the restrictions and the amounts Landlord would have received had there been no restrictions.

6.4 <u>Increases to Base Rent</u>. See Section 1.10

ARTICLE 7 SECURITY DEPOSIT

7.1 Security Deposit. Within fifteen (15) days of approval of the Lease by the State Board of Examiners, Tenant shall deposit with Landlord the Security Deposit ("Security Deposit") specified in Section 1.12. Landlord shall hold the Security Deposit as security for Tenant's faithful performance of all the terms, covenants, and conditions of this Lease. Landlord shall not be required to keep the Security Deposit separate from Landlord's general funds. Subject to Landlord's right hereunder to apply the Security Deposit in accordance with this Article, the parties acknowledge that the Security Deposit does not cover any rent hereunder. The retention or application of such Security Deposit by Landlord pursuant to this Section does not constitute a limitation on or waiver of Landlord's right to seek further remedy under law or equity.

- 7.2 Use of Security Deposit. If Tenant breaches or fails to perform any of Tenant's obligations under this Lease, Landlord shall have the right, but not the obligation, to use or retain all or any part of the Security Deposit to cure the breach or failure of performance, and to compensate Landlord for any damages sustained by Landlord, including but not limited to payment of: (i) delinquent rent; (ii) interest on delinquent rent; (iii) late charges on delinquent rent; (iv) the cost of performing any of Tenant's obligations under this Lease; (v) the cost of repairing damages to the Premises or Project caused by Tenant, its employees, guests or invitees, and excluding normal wear and tear; (vi) the cost of cleaning, maintaining, repairing, restoring or reletting the Premises, except as required pursuant to Landlord's obligations as set forth in this Lease; (vii) attorneys' and accountants' fees and disbursements and court costs; (viii) brokerage commissions and finders' fees; and, (ix) interest on any and all of the above at the maximum lawful rate ("Remedy Rate") from the date due until paid; provided, however, that retention of all or any part of the Security Deposit shall not affect Tenant's obligations under this Lease or Landlord's other rights and remedies provided at law, in equity, or under this Lease. If any portion of the Security Deposit is used as provided for in this Section, then within five (5) days after written demand by Landlord, Tenant shall deposit with Landlord sufficient cash to restore the Security Deposit to its original amount. Tenant's failure to make this deposit shall be a default under this Lease.
- 7.3 Refund and Transfer. If Tenant shall have fully and faithfully performed all of Tenant's obligations under this Lease (or upon the earlier termination without Tenant's fault) and after Landlord has inspected the Premises, has cleaned and repaired any damage for which Tenant is responsible pursuant to Section 7.2, and has received invoices for such repair or cleaning costs, for which Tenant is responsible pursuant to Section 7.2, if any, then Landlord shall return the Security Deposit or any balance thereof to Tenant. Landlord may transfer the Security Deposit, or that portion remaining after any deduction, to Landlord's successor-in-interest and shall upon such transfer be discharged from any further liability with respect to such Security Deposit.

ARTICLE 8 USE AND MAINTENANCE OF THE COMMON AREAS

Landlord hereby grants to Tenant, the nonexclusive use of the Common Area in common with Landlord and with all others for whose convenience and use of the Common Area has been or may hereafter be provided by Landlord or by the owners of common areas not within the Project; subject, however, to rules and regulations for the use thereof as prescribed from time to time by Landlord or the owner of such other common areas. In no event, however, shall Tenant, its agents or employees, use the Common Area for the display, promotion or sale of merchandise. The Common Area shall be used and maintained pursuant to the following terms:

- **8.1** <u>Maintenance of Common Area.</u> Landlord, during the Term, will maintain the Common Area in good condition and repair and shall be responsible for all janitorial and cleaning needs and services of the Common Area, including bathrooms.
- 8.2 <u>Landlord's Control Over Common Area</u>. Landlord shall at all times have the exclusive control and management of the Common Areas of the Building or Project. Landlord shall have the right from time to time to employ personnel; establish, modify and enforce reasonable rules and regulations; construct, maintain and operate lighting facilities; police the Common Areas and facilities; from time to time to change the area, level, location and arrangement of parking areas and other facilities hereinabove referred to; to restrict parking by Tenant, its officers, agents and employees to employee parking areas; to close all or any portion of the Common Areas to such extent as may, in the opinion of Landlord's counsel, be legally sufficient to prevent a dedication thereof or the accrual of any interest therein by any person or the public; temporarily close all or any portion of the parking areas or facilities to discourage non-customer parking; and to do and perform such other acts in and to the Common Areas as, in the use of good business judgment, Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by tenants of the Building or Project, their employees, invitees and customers.
- **8.3** Compliance with Landlord's Rules and Regulations. Tenant agrees to comply with (and cause its agents, contractors, employees and invitees to comply with) the rules and regulations attached hereto as Exhibit "B" ("Rules and Regulations") and with such reasonable modifications thereof and additions thereto as Landlord may from time to time make provided said additions/modifications are reasonable and are uniformly applied to all tenants. Landlord shall not be responsible for any violation of said rules and regulations by other tenants or occupants of the Building or Project.
- **8.4** Parking. Landlord shall provide and cause to be maintained, automobile parking areas within the Project for the benefit and use of the visitors and patrons and employees of Tenant, and other tenants and occupants

of the Project, subject to any and all conditions as set forth in this Lease. The parking areas shall include the automobile parking stalls, driveways, entrances, exits, sidewalks and attendant pedestrian passageways and other areas designated for parking. Landlord shall determine the nature and extent of the parking areas and make such changes which, in its opinion, are in the best interests of all persons using the parking area. Nothing contained in this Lease shall be deemed to create liability upon Landlord for any damage to motor vehicles of visitors or employees, unless ultimately determined to be caused by the negligence or willful misconduct of Landlord. Landlord shall also have the right to establish, amend, and enforce against all users of the parking areas reasonable rules and regulations as Landlord may deem necessary and advisable for the proper and efficient operation and maintenance of the parking area. Within ten (10) days after the Lease Commencement Date, Tenant shall furnish to Landlord a list of the vehicle license numbers of Tenant and all its employees and Tenant shall thereafter notify Landlord of any and all changes, additions and/or deletions to or from such list within five (5) days after each such change occurs. Tenant shall hold harmless Landlord and defend Landlord, its agents and employees against any and all claims of the employee and/or owner of the vehicle towed hereof respectively. Tenant shall be provided the exclusive use of four (4) reserved parking spaces, and there shall be no fee charged to the Tenant for the use of the reserved parking space(s).

- **8.5 No Obstruction.** Tenant shall not obstruct any portion of the Common Area by placing or allowing any item on it, including without limitation, signs, banners, displays, merchandise or other materials, except as expressly permitted by this Lease, the Rules and Regulations or Landlord in writing.
- **8.6** Operating Expenses. All Operating Expenses are to be paid by Landlord and/or are included in the Base Rent and Escalations set forth in Section 1.10, and shall not be passed on to Tenant, other than as included in the amounts set forth in Section 1.10. "Operating Expenses" shall mean all costs and expenses of every kind and nature incurred or paid by Landlord, including but not limited to the following:
- (i) In operating, equipping, policing and protecting, lighting, heating, air conditioning, providing sanitation and other services, insuring (including self insurance and the payment of deductible amounts under insurance policies), repairing, replacing and maintaining the (a) Common Area, including any parking decks and connectors, (b) all buildings and roofs within the Project, and (c) all other areas, facilities and buildings and vertical transportation facilities.
- For all taxes, assessments, water and sewer charges and other similar (ii) governmental charges levied on or attributable to the Building or Project or their operation, including without limitation, (a) real property taxes or assessments levied or assessed against the Building or Project, (b) assessments or charges levied or assessed against the Building or Project by any redevelopment agency, (c) any tax measured by gross rentals received from the leasing of the Premises, Building or Project, excluding any net income, franchise, capital stock, estate or inheritance taxes imposed by the state or federal government or their agencies, branches or departments; provided that if at any time during the Term any governmental entity levies, assesses or imposes on Landlord any (1) general or special, ad valorem or specific, excise, capital levy or other tax, assessment, levy or charge directly on the rent received under this Lease or on the rent received under any other leases of space in the Building or Project, or (2) any license fee, excise or franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such rent, or (3) any transfer, transaction, or similar tax, assessment, levy or charge based directly or indirectly upon the transaction represented by this Lease or such other leases, or (4) any occupancy, use, per capita or other tax, assessment, levy or charge based directly or indirectly upon the use or occupancy of the Premises or other premises within the Building or Project, then any such taxes, assessments, levies and charges shall be deemed to be included in the term Operating Expenses.
- (iii) For all sums expended in connection with the Building and Project for all general maintenance and repairs; relocation of facilities; resurfacing; painting; striping; re-striping; cleaning; snow removal; sweeping and janitorial services; maintenance and repair of sidewalks, curbs, Building and Project signs, landscaping, irrigation or sprinkling systems; planting and landscaping; lighting and other utilities; directional signs and other markers and bumpers; all roof repairs and maintenance including but not limited to patching, resurfacing and preventative maintenance and painting or renovation of the exterior portion of all or any part of the improvements constructed on the Building and Project; maintenance and repair of any fire protection systems, lighting systems, storm drainage systems and any other utility systems; all cost or expense incurred by reason of any repairs or modifications to the Building and Project and/or its improvements and/or for repair or installation of equipment for energy or safety purposes; personnel to implement such services including, if Landlord deems necessary, the cost of a maintenance supervisor and/or the cost of security guards; all costs and expenses pertaining to a security alarm system for the tenants and/or Building and Project; all costs, expenses, taxes and/or surcharges levied or imposed upon or against the Building and Project, parking spaces or areas, the Building and Project and/or Landlord and all

payments to or for public transit or car-pooling facilities or as otherwise required by any governmental agency having jurisdiction over the Building and Project; all costs incurred by Landlord in connection with complying with applicable federal, state, county, borough or municipal laws, ordinances, rules, regulations, directives, orders and/or requirements now or hereafter in force with respect to the Building and Project and/or its Building and Project.

(iv) For reserves for future maintenance and repair work and reserves for replacement of existing capital improvements in the Building and Project which Tenant hereby authorizes Landlord to use as Landlord deems necessary; personal property taxes on the improvements located on the Building and Project; fees incurred in managing the Building and Project and in the performance, management and supervision of the Common Area maintenance services and obligations and/or administering the accounting, bookkeeping and collection of the expenses in connection with the Building and Project; and public liability and property damage insurance covering the Building and Project in amounts as required by Landlord. Landlord may cause any or all of said services to be provided by an independent contractor or contractors.

The following items shall not be included in Operating Expenses: (i) any expenses which under generally accepted accounting industry standards would not be considered a maintenance, repair and/or operating expense for a commercial office facility, (ii) costs associated with the operation of the business of the entity which constitutes the "Landlord", including, but not limited to, the legal and accounting costs associated with the leasing, selling, syndicating, financing, mortgaging, or hypothecating of any of Landlord's interest in the Building or Project, the costs of disputes between Landlord and its employees, tenants or contractors, (iii) costs of any services provided to tenants in the Project for which Landlord is entitled to reimbursement, (iv) expenses in connection with services provided solely to the premises of other tenants which are of no benefit to Tenant, (v) depreciation and/or amortization of the Building, (vi) the cost of repairs or other work incurred by reason of fire, windstorm or other casualty, except for deductibles paid under insurance contracts, (vii) Landlord's gross receipts taxes, personal and corporate taxes, inheritance and estate taxes, franchise, gift or transfer taxes, (viii) the cost of preparing any space for any tenant or prospective tenant of the Project or costs associated with any space presently deemed to be rentable space; (ix) costs incurred in leasing or obtaining new tenants or retaining existing tenants, including leasing commissions, attorneys' fees, or the cost of advertising and promotion; (x) attorneys' fees incurred in enforcing the terms of any lease; (xi) the cost of any item or service that Landlord provides selectively to one of more tenants of the Project, whether or not Landlord is reimbursed by such other tenants; and (xii) any amount paid to an entity or individual affiliated with or otherwise related to Landlord which exceeds the amount which would be paid for similar goods or services on an arms-length basis between unrelated parties.

The inclusion of the improvements, facilities and services set forth in this Lease, shall not be deemed to impose an obligation upon Landlord to either have said improvements or facilities or to provide those services unless; (i) the Project already has the same, or (ii) Landlord already provides the services, or (iii) Landlord has agreed elsewhere in this Lease to provide the same or some of them. The Landlord may contract for Security Personnel to monitor the Common Areas of the Project. The extent and scope of the use of Security Personnel to monitor the Common Area, including the Parking Area, shall be under Landlord's sole control. The use of Security Personnel to monitor the Common Facilities shall be for the protection of the capital improvements of the Project and shall not create nor impose upon Landlord or its agents an obligation or duty to protect or defend the property or personal well being of Tenant, its employees, guests or agents.

8.7 Payment of Operating Expenses and Cost Savings.

A. It is understood and agreed by Landlord and Tenant that the Base Rent and Escalations amounts set forth in Section 1.10 include and shall compensate Landlord for Tenant's pro rata share of any and all Operating Expenses attributable to the Premises, Building and/or Project. There shall be no additional pass-through of any type of Operating expense to Tenant by Landlord. All amounts that, pursuant to Section 8.6 constitute an operating expense that may otherwise have been assessed to Tenant are included in the Base Rent and Escalations amount set forth in Section 1.10 of this Lease and no further or additional amounts for Operating Expenses shall be passed on to Tenant during the Term, First Renewal Period or any subsequent renewal periods.

ARTICLE 9 TAXES

9.1 Real Estate Taxes. Landlord shall pay all Real Property Taxes.. "Real Property Taxes" shall mean all taxes, assessments (special or otherwise) and charges levied upon or with respect to the Premises. Real Property Taxes shall include, without limitation, any tax, fee or excise on the act of entering into this Lease, on the

occupancy of Tenant, hereunder which are now or hereafter levied or assessed against Landlord by the United States of America, the State of Nevada or any political subdivision, public corporation, district or other political or public entity, and shall also include any other tax, assessment, fee or excise, however described (whether general or special, ordinary or extraordinary, foreseen or unforeseen), which may be levied or assessed in lieu of, as a substitute for, or as an addition to, any other Real Property Taxes. Landlord may pay any such special assessments in installments when allowed by law, in which case Real Property Taxes shall include any interest charged thereon. Real Property Taxes shall also include reasonable legal fees, costs and disbursements incurred in connection with proceedings to contest, determine or reduce Real Property Taxes. Real Property Taxes shall not include income, franchise, sales, gross receipts, transfer, estate or inheritance or capital stock taxes, unless, due to a change in the method of taxation, any of such taxes are levied or assessed against Landlord in lieu of, or as a substitute for, or as an addition to, any other tax which would otherwise constitute a Real Property Tax. It is understood and agreed by Landlord and Tenant that Base Rent and Escalations amounts set forth in Section 1.10 include and shall compensate Landlord for Tenant's pro rata share of any and all operating expenses attributable to the Premises, Building and/or Project, including Real Estate Taxes. There shall be no additional pass-through of property tax or any type of Operating expense to Tenant by Landlord, and payment of Real Estate Taxes shall be the sole responsibility of Landlord. All Real Estate taxes that, pursuant to this paragraph constitute an operating expense that may otherwise have been assessed to Tenant are included in the Base Rent and Escalations amounts set forth in Section 1.10 of this Lease. No further or additional amounts for Real Estate Taxes shall be passed on to Tenant during the Term, First Renewal Period or any subsequent renewal periods.

ARTICLE 10 UTILITIES

10.1 General. Landlord shall provide the Premises and common areas the following: water and sewer; hot and cold water sufficient for drinking, lavatory, toilet and ordinary cleaning purposes; HVAC System, including heating, ventilation and air conditioning fully equipped and of sufficient capacity to provide comfortable, professional office environment in the Premises for Tenant's staff and office equipment. Landlord shall provide a reputable and experienced technician for the purpose of periodically inspecting and maintaining the HVAC system located on the Premises and shall be responsible for all costs associated with the everyday upkeep and maintenance of said HVAC system, and any and all repairs of said HVAC system.

Tenant shall be responsible and pay for all utilities and janitorial services relating to the Premises including but not limited to gas, if applicable, electricity, meter fees and connections. Landlord shall not be responsible for, or in default hereunder or be liable for any damages (including any consequential damages) directly or indirectly resulting from, nor shall the Rent be abated by reason of (i) the installation, use or interruption of use of any equipment in connection with the foregoing services unless caused by Landlord's failure to maintain or repair the foregoing services as required by this Lease, (ii) failure caused by accident or any condition or event beyond the reasonable control of Landlord, or by the making of necessary repairs or improvements to the Premises, Building or Project, or (iii) the limitation, curtailment or rationing of, or restrictions on, use of water, electricity, gas or any other form of energy serving the Premises, Building or Project due to circumstances beyond the control of Landlord. Landlord shall not be liable under any circumstances for a loss of or injury to property or business, however occurring, through or in connection with or incidental to any such services unless caused by any act or omission by Landlord contrary to the terms and obligations contained in this Lease. Landlord shall furnish heat and air-cooling to the Common Areas during the Building Hours. Any use of heat and air-cooling to the Common Areas by Tenant during non-Building Hours shall be at Tenant's sole cost and expense. Tenant shall not, without the written consent of Landlord, use any utilities or services that are furnished at Landlord's expense (including but not limited to utilities, trash disposal, etc) above and beyond that which is usually furnished or supplied for the use of premises as general office space, as reasonably determined by Landlord. Tenant shall not connect any apparatus with electric current except through existing electrical outlets in the Premises. Tenant shall not consume water in excess of that usually furnished or supplied for the use of premises as general office space (as reasonably determined by Landlord), without first procuring the written consent of Landlord, which Landlord may refuse, and in the event of consent, Landlord may have installed a water meter or in the Premises to measure the amount of water consumed. Tenant agrees to pay to Landlord promptly upon demand for all such water consumed in excess of that which is usually furnished or supplied for the use of the premises as general office space, as shown by said meters, at the rates charged for such services by the local public utility plus any additional expense incurred in keeping account of the water so consumed. If a separate meter is not installed, the excess cost for such water and electric current shall be established by an estimate made by a utility company or electrical engineer hired by Landlord. Nothing contained in this Section shall restrict Landlord's right to require at any time separate metering of utilities furnished to the Premises. In the event utilities are separately metered, Tenant shall pay promptly upon demand for all utilities consumed at utility rates charged by the local public utility plus any additional expense incurred by Landlord in keeping account of the utilities so consumed.

ARTICLE 11 INSURANCE

General. Tenant shall, at its expense, maintain in effect from and after the date of delivery of possession of the Premises to Tenant and continuously thereafter until the Expiration Date, the policies of insurance required under this Article. All policies that Tenant is required to obtain under this Article shall be issued by responsible insurance companies authorized to do business in Nevada with a general policyholder's rating of not less than "A" and a financing rating of not less than Class "X", as rated by the most current available "Bests" Insurance Reports and shall be in a form (without any additions or deletions unless approved in writing by Landlord) and underwritten by companies acceptable to Landlord, or insurance that is afforded to Tenant pursuant to NRS Chapter 41. On or before the Lease Commencement Date, Tenant shall furnish Landlord with evidence acceptable to Landlord that (i) the policies (or a binder thereof) required pursuant to this Article are in effect and (ii) Landlord shall be notified by the carrier in writing thirty (30) days prior to cancellation, material change, or nonrenewal of such insurance. If permitted by NRS Chapter 41, the policies that Tenant is required to obtain pursuant to this Article shall name Landlord and, upon Landlord's request, Landlord's mortgagee, if any, as additional insureds on such equivalent form as may be approved by Landlord and shall be primary policies, and shall not be contributing with and shall be in excess of coverage which Landlord may have and shall be unaffected by any insurance or self-insurance Landlord may have regardless of whether any other insurance policy names Landlord as an insured or whether such insurance stands primary or secondary. If Tenant carries any of the insurance required hereunder in the form of a blanket policy, any certificate required hereunder shall make specific reference to the Premises, provided, however, the blanket policy carried with respect to the insurance required by Tenant hereunder shall contain a "per location" endorsement assuring that any aggregate limit under such blanket policy shall apply separately to the Premises and that the insurer thereunder shall provide written notice to Landlord if the available portion of such aggregate is reduced to less than the minimum amounts required under this Article by either payment of claims or the establishment of reserves for claims, (whereupon Tenant shall be obligated to take immediate steps to increase the amount of its insurance coverage in order to satisfy the minimum requirements set forth in Section 11.2). The policy evidencing insurance required to be carried by Tenant pursuant to this Article shall provide coverage on an occurrence basis. The limits of the insurance coverage required by Landlord or the unavailability of certain types of coverage shall not limit or release Tenant from any of its obligations under this Lease and the existence of such insurance in no way changes Tenant's obligations to Landlord.

11.2 Tenant's Insurance.

Tenant, at its sole cost and expense, during the entire Term hereof, shall, commencing with the date upon which possession of the Premises shall be made available to Tenant, procure, pay for and keep in full force and effect: (i) general liability insurance, including insurance against assumed or contractual liability under this Lease with respect to the Premises and the operations of Tenant and any subtenants of Tenant in, on or about the Premises in which the limits with respect to personal liability and property damage shall be provided pursuant to Nevada Revised Statutes Chapter 41 whereby the State of Nevada is self-insured for both liability and property insurance, and all liability claims are handled in accordance with NRS Chapter 41. (ii) all risk property insurance including theft and, if applicable, boiler and machinery coverage, written at replacement cost value in an adequate amount to avoid coinsurance and a full replacement cost endorsement insuring the Tenant's trade fixtures, equipment, merchandise and furnishings and any other items of personal property of Tenant and including the property of Tenant's customers located on or in the Premises; the State of Nevada self-insures the first Five Hundred Thousand Dollars (\$500,000.00) of each loss and claims above that amount are commercially insured under an all risk property insurance policy; (iii) workers' compensation coverage as required by law; (iv) with respect to alterations, additions or improvements and the like required or permitted to be made by Tenant hereunder, contingent liability and builder's risk insurance, in amounts satisfactory to Landlord, and (v) such other insurance as from time to time may be required by city, county, state or Federal laws, codes, regulations or authorities or which Landlord determines is reasonably necessary or appropriate under the circumstances. The deductibles or self-insurance portion under any such insurance policies to be carried by Tenant shall not exceed Five Thousand Dollars (\$5,000). Tenant agrees that if Tenant does not take out and maintain such insurance as required by this Lease, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf, but only after advising Tenant in writing of Landlord's intent to procure the insurance and allowing Tenant reasonable time to obtain the insurance and/or advise Landlord of any reasons for not procuring the insurance pursuant to Nevada Revised Statutes Chapter 41. If, following notice and an opportunity to respond, if the insurance that Landlord seeks to procure is not otherwise provided to Tenant pursuant to NRS Chapter 41 and Tenant fails to obtain said insurance, Landlord may charge the Tenant the premiums for the insurance, together with a twenty-five percent (25%) handling charge, payable upon demand.

- **B.** Tenant shall not use, or allow the Premises to be used for any purpose which may be prohibited by the form of fire insurance policy required to be carried under this Lease.
- 11.3 <u>Landlord's Insurance</u>. Landlord, at its sole cost and expense, agrees to maintain property and liability insurance on the Building/Project and all improvements to the Premises at all times during the Term and/or any renewal periods, of the Lease., Landlord may provide, to the extent the same is available from Landlord's insurance carrier, in amounts and coverages determined by Landlord, with or without deductibles, insurance coverage against risks as are from time to time included in a standard extended coverage endorsement, insuring the improvements to the Project, including the Premises (exclusive of Tenant's merchandise, trade fixtures, furnishings, equipment, plate glass, signs and other personal property). It is understood and agreed by Landlord and Tenant that Base Rent and Escalations amounts set forth in Section 1.10 include and shall compensate Landlord for Tenant's pro rata share of any and all operating expenses attributable to the Premises, Building and/or Project, including the insurance required by this Section. There shall be no additional pass-through of the insurance described in this Section, any type of Operating expense to Tenant by Landlord, and payment of insurance premiums pursuant to this section shall be the sole responsibility of Landlord. All amounts that, pursuant to this paragraph constitute an operating expense that may otherwise have been assessed to Tenant are included in the Base Rent and Escalations amount set forth in Section 1.10 of this Lease. No further or additional amounts shall be passed on to Tenant.
- 11.4 <u>Waiver of Subrogation</u>. Notwithstanding anything to the contrary contained herein, Landlord and Tenant hereby waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, their respective property, the Premises or its contents, or to other portions of the Project, arising from any risk to the extent covered by the insurance required hereunder. The parties each, on behalf of their respective insurance companies insuring the property of either Landlord or Tenant against any such loss, waive any right of subrogation that it may have against Landlord or Tenant, as the case may be. The foregoing waivers of subrogation shall be operative only so long as available without invalidating either Landlord's or Tenant's policy of insurance.

ARTICLE 12 USE OF PREMISES

- 12.1 <u>Use.</u> Tenant shall use the Premises solely for the purposes set forth in Section 1.13. Landlord or Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way cause the cancellation or increase the existing rate of any fire or other insurance upon the Premises or the Project. Landlord or Tenant shall not do or permit anything to be done in or about the Premises which will obstruct or interfere with the reasonable rights of other tenants or occupants of the Project and Landlord or Tenant shall prevent odors, emissions, fumes, liquids or other substances or excessive noise from escaping or extending beyond the Premises, nor shall Landlord or Tenant use or allow the Premises or common areas of the Project to be used for any unlawful or extra hazardous purpose. Tenant shall refrain from using or permitting the use of the Premises or any portion thereof as living quarters, sleeping quarters or for lodging purposes. Tenant shall, at its sole cost and expense, promptly comply in all material respects with all applicable federal, state, county, or municipal laws, ordinances, rules, regulations, directives, orders and/or requirements now in force or which may hereafter be in force with respect to Tenant's specific use and occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission of Landlord or Tenant in any action against Landlord or Tenant, whether Landlord or Tenant be a party thereto or not, that Landlord or Tenant has violated any related law, statute, ordinance or requirement, shall be conclusive of that fact as between Landlord and Tenant.
- 12.2 <u>Environmental Compliance</u>. The term "<u>Hazardous Substances</u>," as used in this Lease, shall include, without limitation, flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority.

Tenant shall not cause or permit to occur:

(a) Any violation of any federal, state, or local law, ordinance, or regulation now or hereafter enacted, related to environmental conditions on, under, or about the Premises, or arising from Tenant's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

(b) The use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance on, under, or about the Premises, or the transportation to or from the Premises of any Hazardous Substance

Tenant shall, at Tenant's own expense, comply with all laws regulating the use, generation, storage, transportation, or disposal of Hazardous Substances ("Laws").

Tenant shall, at Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities (the "Authorities") under the Laws.

Should any Authority or any third party demand that a cleanup plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of Hazardous Substances by Tenant that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans.

Tenant shall promptly provide all information regarding the use, generation, storage, transportation, or disposal of Hazardous Substances that is requested by Landlord. If Tenant fails to fulfill any duty imposed under this Section 12.2 within a reasonable time, Landlord may do so; and in such case, Tenant shall cooperate with Landlord in order to prepare all documents Landlord deems necessary or appropriate to determine the applicability of the Laws to the Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all documents promptly upon Landlord's request. No such action by Landlord and no attempt made by Landlord to mitigate damages under any Law shall constitute a waiver of any of Tenant's obligations under this Section 12.2.

Tenant shall indemnify, defend, and hold harmless Landlord, the manager of the property, and their respective officers, directors, beneficiaries, shareholders, partners, agents, and employees from all fines, suits, procedures, claims, and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release of Hazardous Substances by Tenant that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws and all other environmental laws.

Tenant's obligations and liabilities under this Section 12.2 shall survive the expiration of this Lease.

12.3 <u>Landlord's Right of Entry.</u> Landlord or its agents, at reasonable times, may enter into the Premises without any liability whatsoever for the purposes of (i) inspecting the Premises; (ii) inspecting the performance by Tenant of the terms, and conditions hereof; (iii) showing the Premises to prospective tenants, purchasers, partners, or mortgagees; (iv) inspecting, repairing or maintaining the Common Area and the Project, if it is reasonably necessary for the Landlord to enter the Premises to do so; and, (v) making such repairs, alterations, improvements or additions as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all material into and upon the Premises that may be reasonably required therefore without the same constituting an eviction of Tenant in whole or in part, and the rents reserved herein shall not abate while said repairs, alterations, improvements or additions are being made, by reason of loss or interruption of business of Tenant or otherwise. Except in the case of an emergency, Landlord shall give Tenant reasonable notice of any and all intended entries or inspections pursuant to this Section.

ARTICLE 13 MAINTENANCE AND REPAIR OF PREMISES

- 13.1 <u>Tenant's Inspection</u>. Except as otherwise provided in this Lease, Tenant agrees to accept the Premises in its existing condition as of the date that Tenant takes final possession of the Premises. Tenant represents, warrants, and covenants to Landlord that Tenant is relying solely upon its own investigation of the Premises.
- 13.2 <u>Tenant's Obligations</u>. From and after the date of delivery of the Premises to Tenant, and continuously thereafter until the Expiration Date, Tenant, at Tenant's sole expense, shall maintain the Premises in a first-class appearance, in a condition at least equal to that which existed when Tenant initially opened the Premises for business, and in good order, condition and repair. Tenant shall be responsible for supplying janitorial services to the Usable Square Footage of the Premises. Tenant shall do all acts required to comply with all applicable laws,

ordinances, and rules of any public authority relating to its maintenance obligations as set forth herein. Tenant shall not place a load upon any floor of the Premises, which exceeds the load per square foot, which such floor was designed to carry, as determined by Landlord or Landlord's structural engineer. Specific authorization for the weight bearing load to be placed in the area, and file cabinet locations, of the Premises designated as the "File Room" in Exhibit D_ has been granted following discussion, determination and acceptance by the Landlord's structural engineer, as shown in Exhibit D. Tenant has provided file cabinet specifications, Exhibit F, to landlord which were used by landlord's engineer to calculate the floor weight bearing load of the file cabinets to be placed in the file room. Based on these specifications as set forth in Exhibit F, the engineer has determined that, provided the file cabinets are located specifically in the areas set forth on Exhibit D, and in no other area(s) of the dedicated File Room, the floor has sufficient structural integrity to bear the file cabinet load.

Tenant shall give Landlord prompt notice of any damage to or defective condition in any part or appurtenance of the Building's mechanical, electrical, plumbing, HVAC or other systems serving, located in, or passing through the Premises.

Upon the expiration or earlier termination of this Lease, Tenant shall return the Premises to Landlord clean and in the same condition as on the date Tenant took possession, except for normal wear and tear. Any damage to the Premises, including any structural damage, other than that occurring as a result of normal wear and tear, resulting from Tenant's use or from the removal of Tenant's fixtures, furnishings and equipment shall be repaired by Tenant at Tenant's expense.

- 13.3 <u>Landlord's Cure.</u> If Tenant fails to commence any of the Tenant's obligations listed in Section 13.2 within ten (10) days after receipt of Landlord's written demand to perform such obligations, or fails to adequately complete the performance of such obligations within a reasonable time after commencement, then Landlord may, but is not obligated to, perform such obligations without liability to Tenant for any loss to Tenant's property or business that might arise by reason thereof. Tenant shall reimburse Landlord on demand in an amount equal to the cost incurred by Landlord in the performance of such obligations plus an administrative fee equal to ten percent (10%) of the cost incurred by Landlord.
- Landlord's Obligations. Except for damage caused by any willful misconduct of Tenant, Tenant's employees, suppliers, shippers, customers or invitees, (in which event Tenant shall repair the damage), Landlord, shall keep in good condition and repair the foundations, the Building HVAC system, non-Premises plumbing, bathrooms, exterior walls, structural condition of interior bearing walls, and the roof structure of the Premises and Parking Area, utility installations of the Common Facilities and all parts thereof. Landlord shall not be obligated to paint the Premises interior walls. Landlord shall not be required to maintain, repair or replace the interior doors, windows or plate glass of the Premises. Landlord shall have no obligation to begin repairs under this Section 13.3 until fifteen (15) days after receipt of written notice from the Tenant of the need for such repairs except for the operations of the Building HVAC system, electrical system or such systems as will impact Tenant's ability to conduct ongoing business operations, which shall be repaired on an emergency basis. If Landlord has not performed or undertaken to perform maintenance or repair services required under this Lease within fifteen (15) days of receipt of written notice from Tenant, Tenant may take such reasonable action as is necessary to make repairs or perform such services and deduct the cost of such performance from any sums due Landlord hereunder. In case of emergencies, the aforesaid fifteen (15) day period shall be reduced to such period as is reasonable under the circumstances and Tenant shall only be required to provide oral notice to Landlord. Landlord shall not be liable for damage or loss of any kind or nature by reason of Landlord's failure to furnish any such service when such failure is caused by strikes, lockout, or any other labor disturbances or disputes beyond the reasonable control of Landlord.

ARTICLE 14 ALTERATIONS AND ADDITIONS

14.1 <u>Tenant Alterations</u>. Following delivery of possession of the Premises, Tenant shall not commence any alterations, improvements or additions to the Premises (collectively "<u>Tenant Alterations</u>,") if any, without Landlord's prior written consent in each instance except for nonstructural alterations to the interior of the Premises not exceeding Ten Thousand Dollars (\$10,000) annually during the Term. If Tenant makes any Tenant Alterations without the prior written approval of Landlord, Landlord shall have the right to require that Tenant remove any or all of such Tenant Alterations and repair and restore damage to the Premises caused by such removal at Tenant's sole expense and shall also have the right to declare Tenant in default and to terminate this Lease. Any Tenant Alterations shall at all times comply fully with all applicable federal, state and municipal laws, ordinances, regulations, codes and other governmental requirements now or hereafter in force.

Tenant shall provide Landlord with a written request for approval of any Tenant Alterations that Tenant would like to make with proposed detailed plans. Landlord shall have the right to condition Landlord's prior written consent upon Tenant's: (i) providing Landlord with plans and specifications for the Tenant Alterations for Landlord's prior written approval or the consent of any other tenant; (ii) obtaining a building permit and complying with all building and planning laws and regulations for Tenant Alterations from appropriate governmental agencies; (iii) furnishing a copy of such building permit and evidence of such compliance to Landlord prior to the commencement of such work; (iv) complying with all the conditions of such building permit and such building and planning laws and regulations; (v) providing Landlord with a copy of the construction contract, construction schedule and list of subcontractors and suppliers for Landlord's prior written approval; (vi) obtaining a builder's "all risk" insurance policy in an amount and issued by insurance company acceptable to Landlord, naming Landlord as an additional insured and otherwise satisfying the requirements of Article 11 of this Lease; and, (vii) providing Landlord with ten (10) days written notice prior to commencing any such work. Landlord's approval of the plans, specifications and working drawings for any Tenant Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. Landlord shall not be liable for any damage, loss, or prejudice suffered or claimed by Tenant, its agents or any other person or entity on account of: (a) the approval or disapproval of any plans, contracts, bonds, contractors, sureties or matters; (b) the construction or performance of any work whether or not pursuant to approved plans; (c) the improvement of any portion of the Premises or alteration or modification to any portion of the Premises; or, (d) the enforcement or failure to enforce any of the covenants, conditions and restrictions contained in this Lease.

All work with respect to any addition, alteration or improvement shall be done in a good and workmanlike manner by properly qualified and licensed personnel approved by Landlord, and such work shall be diligently prosecuted to completion. Any such alterations, additions or improvements consented to by Landlord including any roof penetration shall be made at Tenant's sole cost and expense.

With respect to Tenant Alterations described in this Section, if any, Tenant shall provide its own trash container or containers for construction debris; shall promptly remove all construction and related debris from the Premises and all Common Areas; immediately following completion of construction shall return the Premises and Common Areas to the condition they were in immediately prior to construction; shall repair and restore any portions of the Common Areas harmed as result of the construction activities to the condition they were in immediately prior to construction; shall use service entrances to the Premises, if any; will conduct no core drilling, jack hammering or excessive noise during business hours; will disrupt other tenants as little as possible; and will pay to Landlord the amount of any and all damage to the roof caused by the penetration thereof, and the amount of any and all damages to the Premises, Building and/or Project as a result of roof leaks caused by the penetration. Tenant shall secure any and all governmental permits, approvals or authorizations required in connection with any such work, and shall indemnify, defend Landlord against, and hold Landlord harmless from any and all liability, costs, damages (including any damage to the Building, Premises, Common Areas or any part of the Project), expenses (including attorneys' fees) and any and all liens resulting therefrom.

Under no circumstances shall Tenant enter upon the Project roof or make any roof penetrations without the prior written consent of Landlord. Any consent of Landlord shall be conditioned upon Landlord's review and approval of plans satisfactory to Landlord for the repair of the roof. At Landlord's option, any roof penetrations shall be performed by Landlord's roofing contractor, and Tenant shall reimburse Landlord for the cost thereof and any necessary repair work within ten (10) days after Tenant's receipt of an invoice therefor.

Construction of Tenant Alterations. Tenant shall pay when due all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at, on, or for use in the Project or Premises. Tenant shall keep the Premises, the Project, and any interest therein, free and clear of all mechanics' liens and all other liens. Tenant shall give Landlord immediate written notice of any lien filed against the Premises, the Project or any interest therein related to or arising from work performed by or for the Tenant. Tenant shall give Landlord not less than ten (10) days' prior written notice of the commencement of any Tenant Alterations in the Premises, and Landlord shall have the right to post notices of non-responsibility in or upon the Premises as provided by law. If Tenant shall in good faith contest the validity of any such lien, claim or demand, then Tenant, at its sole expense, shall defend, indemnify, protect and hold the Premises, Project and Landlord harmless against the same and shall pay and satisfy any such adverse judgment that may be; rendered thereon before the enforcement thereof against the Tenant, Landlord, the Project, or the Premises. Notwithstanding the foregoing, at Landlord's request, Tenant shall immediately discharge such lien either by payment of the indebtedness due to the mechanic's lien claimant or by filing a bond (as provided by statute) as security therefor. Landlord shall have the right to procure such discharge by filing such bond, and Tenant shall pay the cost of such bond to Landlord as additional rent upon the first day thereafter that rent shall be due hereunder. In addition, Landlord shall have the right to require that Tenant pay Landlord's attorneys' fees and disbursements, court costs and other costs in defending any such action if Landlord is named as a party to any such action, the lien encumbers any portion or interest in the Project and/or if Landlord elects to defend any such action or lien.

Pursuant to NRS 108.234, Landlord hereby informs Tenant that Tenant must comply with the requirements of NRS 108.2403 with respect to any work or alteration Tenant performs or causes to be performed at the Premises, including, without limitation, any other alterations to the Demised Premises following delivery of possession of the Premises. Tenant acknowledges the requirements thereunder with respect to Tenant's recording of a notice of posted security in the Official Records of Clark County, Nevada, in accordance with NRS 108.2403, and either (i) establishing a construction disbursement account pursuant thereto or (ii) furnishing and recording, in accordance therewith, a surety bond for the prime contract for Tenant Alterations that meets the requirements of NRS 108.2415. The parties acknowledge that Landlord is intended to be a "disinterested owner" as defined in NRS 108.234(7) with respect to all of Tenant's, construction, alteration, or repair of any improvement on the Demised Premises following delivery of possession of the Premises. Accordingly, Tenant shall comply with all requirements set forth in NRS 108.2403 and 108.2407. Without limiting the generality of the forgoing, prior to commencing any of Tenant's construction, alteration, or repair of any improvement on the Demised Premises, Tenant shall deliver to Landlord (i) a conformed copy of the recorded notice of posted security recorded pursuant to NRS 108.2403(1)(a), containing the information required by NRS 108.2403(2) and showing the County Recorder's applicable recording information; (ii) written evidence confirming that Tenant has either established such construction disbursement account or obtained and recorded such surety bond pursuant to NRS 108.2403(1)(b); and (iii) the name, address, and telephone number of Tenant's prime contractor for such work, which shall be delivered within five (5) days of Tenant and such prime contractor entering into a contract for such work. Tenant may not enter the Demised Premises to begin initial construction on Tenant's alterations until Tenant has delivered evidence satisfactory to Landlord that Tenant has complied with the terms of this Section.

- 14.3 <u>Title to Tenant Alterations</u>. Any and all Tenant Alterations which may be made in or upon the Premises shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term without compensation to Tenant unless Landlord requires that Tenant remove the Tenant Alterations pursuant to Article 16 hereof.
- 14.4 <u>Settlement of Disputes</u>. It is understood and agreed that any disagreement or dispute which may arise between Landlord and Tenant relating to any Tenant Alterations, performed or to be performed with respect to the Premises, shall be submitted to Landlord's architect whose decision shall be final and binding on both Landlord and Tenant.
- 14.5 General. Landlord may require, at Landlords sole option, that Tenant provide to Landlord, at Tenants expense, a lien and completion bond in an amount equal to at least one and one-half (1 1/2) times the total estimated cost of any additions, alterations or improvements to be made in or to the Premises, to protect Landlord against any liability for mechanic's and materialmen's liens and to insure timely completion of the work. Nothing contained in this Section shall relieve Tenant of its obligation to keep the Premises, Building and Project free of all liens.
- 14.6 Applicable Laws. Throughout the term of this Lease all Tenant's construction, use of the Premises and alterations, additions and/or improvements to the Premises shall be in accordance with all applicable laws, ordinances and regulations of all duly constituted authorities, including, without limitation, Title III of the Americans with Disabilities Act of 1990, all regulations issued there under and the Accessibility Guidelines for Buildings and Facilities issued pursuant thereto, as the same are in effect on the date hereof and may be hereafter modified, amended or supplemented ("Applicable Laws"). Further, any costs, expenses, required alterations/changes/modifications and/or damages to Tenant's Alterations arising from continued compliance with all Applicable Laws shall be the responsibility of Tenant at Tenant's sole cost and expense. All alterations/changes/modifications to the Premises as required by Applicable Laws shall be made in a timely manner so as to avoid any liability and/or damages arising there from.

ARTICLE 15 TENANT'S PROPERTY

15.1 <u>Tenant's Property</u>. All supplies and movable trade fixtures owned by Tenant and installed in the Premises at Tenant's sole cost and which may be removed without material damage to the Project ("<u>Tenant's Property</u>") shall remain the property of Tenant during the Term and any renewal periods. Tenant's Property (a) may

be removed from the Premises from time to time during the Term and (b) at the expiration of the Term, any renewal periods or earlier termination thereof shall be removed from the Premises provided that: Tenant shall repair to the satisfaction of Landlord, any damage to the Premises caused by the removal of Tenant's Property.

15.2 <u>Surrender of Premises</u>. On the Expiration Date of the Term or any renewal periods thereof, or on the sooner termination hereof, Tenant shall peaceably surrender the Premises in accordance with the terms of this Section and in good order, condition and repair, broom clean, excepting only reasonable wear and tear and fire and other unavoidable casualty which Landlord is required to repair hereunder. The provisions of this Section shall survive termination of this Lease. Landlord may, however, designate by written notice to Tenant those alterations, decorations, additions or improvements which shall be removed from the Premises by Tenant at the expiration or earlier termination of this Lease or any renewal periods thereof and Tenant shall promptly remove the same and repair, to the satisfaction of Landlord, any damage to the Premises or Project caused by such removal. Tenant shall promptly surrender all keys for the Premises to Landlord at the place then fixed for notice to Landlord and shall inform Landlord of the combinations on any locks and safes on the Premises. If Tenant abandons or surrenders the Premises, or is dispossessed by process of law or otherwise, any of Tenant's Property left on the Premises shall be deemed to be abandoned, and, at Landlord's option, title shall pass to Landlord under this Lease as by a bill of sale, but only if Landlord gives notice to Tenant of its intent to assume title to the property and a reasonable opportunity for Tenant to remove said property.

ARTICLE 16 DAMAGE AND DESTRUCTION

Reconstruction of Damaged Premises. If the Premises is damaged, Landlord shall repair that damage as soon as reasonably possible, at its expense, unless: (i) Landlord reasonably determines that the cost of repair would exceed twenty percent (20%) of the full replacement cost of the Building ("Replacement Cost") and the damage is not covered by Landlord's fire and extended coverage insurance or (ii) Landlord reasonably determines that the cost of repair would exceed fifty percent (50%) of the Replacement Cost; or (iii) Landlord reasonably determines that the cost of repair would exceed ten percent (10%) of the Replacement Cost and the damage occurs during the final twelve (12) months of the term. Should Landlord elect not to repair the damage for one of the preceding reasons, Landlord shall so notify Tenant in writing within sixty (60) days after the damage occurs and Tenant shall elect to either (i) repair the damage at its cost and deduct the cost thereof from any future Base Rent due Landlord on a prorata basis amortized over the remaining months of the operative term, or (ii) terminate this Lease and this Lease shall terminate as of the date of that notice and the obligations of the parties shall terminate as if the Lease term had naturally expired. Unless either party elects to terminate this Lease in accordance with the above, this Lease shall continue in effect for the remainder of the term. However, provided that if the damage to the Premises is so extensive that it prevents Tenant's substantial use and enjoyment of the Premises for more than thirty (30) consecutive days, then Tenant may elect to terminate this Lease by written notice to Landlord within ten (10) days from and after Tenant's inability to use the Premises for thirty (30) consecutive days and this Lease shall terminate as of the date of that notice and the obligations of the parties shall terminate as if the Lease term had naturally expired. Commencing on the date of any damage to the Premises which renders a portion thereof unusable, and ending on the date the damage is repaired or this Lease is terminated, whichever occurs first, the rental to be paid under this Lease shall be abated in the same proportion that the floor area of the Premises that is rendered unusable by the damage bears to the total floor area of the Premises. Notwithstanding the provisions of the above subsections of this Section, if the damage is due to the willful misconduct of Tenant or its employees, subtenants, invitees or representatives, the cost of any repairs not covered by Landlord's or Tenant's insurance on the Building shall be borne by the Tenant, and Tenant shall not be entitled to rental abatement or termination rights. In addition, the provisions of this Section shall not be deemed to require Landlord to repair any improvements or fixtures installed by Tenant.

ARTICLE 17 EMINENT DOMAIN

17.1 Total or Partial Condemnation of Leased Premises. If all or a material portion of the Premises is taken by any lawful authority by exercise of the right of eminent domain, or sold to prevent a taking, either Tenant or Landlord may terminate this Lease effective as of the date possession is required to be surrendered to the authority. In the event title to a portion of the Building is taken or sold in lieu of taking, and if Landlord elects to restore the Building in such a way as to materially alter the Premises or Tenant's reasonable use thereof, Landlord or Tenant may terminate this Lease, by written notice to the other, effective on the date of vesting of title. In the event neither party has elected to terminate this Lease as provided above, then Landlord shall promptly, after receipt of a sufficient condemnation award, proceed to restore the Premises to substantially their condition prior to the taking, and

a proportionate allowance shall be made to Tenant for the rent corresponding to the time during which, and to the part of the Premises of which, Tenant is deprived on account of the taking and restoration. In the event of a taking, Landlord shall be entitled to the entire amount of the condemnation award without deduction for any estate or interest of Tenant; provided that nothing in this Section shall be deemed to give Landlord any interest in, or prevent Tenant from seeking any award against the taking authority for the taking of personal property and fixtures belonging to Tenant or for relocation or business interruption expenses recoverable from the taking authority.

17.2 <u>Landlord's and Tenant's Damages</u>. In the event of any taking, partial or whole, all of the proceeds of any award, judgment or settlement payable by the condemning authority shall be the exclusive property of Landlord, and Tenant hereby assigns to Landlord all of its right, title and interest in any award, judgment or settlement from the condemning authority. Tenant, however, shall have the right, to the extent that Landlord's award is not reduced or prejudiced, to claim from the condemning authority (but not from Landlord) such compensation as may be recoverable by Tenant in its own right for relocation expenses and damage to Tenant's personal property.

ARTICLE 18 INDEMNIFICATION AND GUARANTY

- Tenant Indemnification. To the extent of the liability limitation set forth in NRS Chapter 41, Tenant shall indemnify, protect, defend and hold Landlord and its agents, employees, partners, officers, affiliates, subsidiaries, members, managers, directors, and representatives ("Landlord's Indemnitees") harmless from and against any and all losses, damages (whether actual or otherwise), liabilities, actions, causes of action (whether legal, equitable or administrative), claims, judgments, costs, and expenses, including Landlord's Indemnitees' attorneys' fees and disbursements, and court costs which Landlord may suffer or incur as a direct or indirect consequence of Tenant's use or occupancy of the Premises, or the Common Areas, or from the conduct of its business, or from any activity, work or thing done by Tenant or its agents, employees, invitees or licensees in or about the Premises or the Common Areas, or from any negligent act or willful misconduct of Tenant or its agents, employees, or licensees, unless caused by the negligence or willful misconduct of Landlord, its agents or employees. In case Landlord's Indemnitees are made a party to any litigation commenced by or against Tenant for any alleged act, omission, negligence or misconduct of Tenant, then Tenant shall protect and hold Landlord harmless and shall pay all reasonable costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with the litigation. Neither Tenant nor the State will be required to indemnify Landlord, its successors, assigns, agents and employees for any liability, claims, damages, losses or expenses relating to or arising out of this Lease to the extent the liability, claims, damages, losses or expenses are caused in whole or in part by the acts, negligence or omission of Landlord, its successors, assigns, agents and employees, or anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable.
- 18.2 <u>Landlord Indemnification</u>. Landlord shall defend, indemnify and hold harmless Tenant, its agents and any and all affiliates of Tenant, including, without limitation, its partners, employees, officers, affiliates, members, managers, representatives, independent contractors, co-venturers, corporations or other entities controlling, controlled by or under common control with Tenant ("Tenant's Indemnitees"), from and against any and all liabilities, losses, damages (whether actual or otherwise), actions, causes of action (whether legal, equitable or administrative), claims, judgments, costs, and expenses, including Tenant's Indemnitees' attorneys' fees and disbursements, and court costs arising either before or after the Commencement Date from the negligent acts or willful misconduct of Landlord, its agents, employees, licensees, invitees or affiliates. In case Tenant, its agents or affiliates are made a party to any litigation commenced by or against Landlord for any alleged act, omission, negligence or misconduct of Landlord, then Landlord shall protect and hold Tenant harmless and shall pay all reasonable costs, expenses and reasonable attorneys' fees incurred or paid by Tenant in connection with the litigation
- Branch of the State of Nevada, the Nevada State Legislature and/or the Federal Government affecting Tenant's funding or ability to satisfy its rental payment obligation, Tenant agrees that during the term of this Lease it will in good faith include in its agency budget request, pursuant to NRS 353, authorization to receive and expend agency, state and/or federal dollars sufficient to meet the Tenant's obligations under this Lease Agreement. However, it is hereby specifically and expressly agreed and acknowledged by the Parties that this Lease or any renewal thereof shall be terminated immediately if for any legitimate reason, action, or mandate on the part of the Executive Branch of the State of Nevada, the Nevada State Legislature and/or the Federal Government limits, restricts or impairs Tenant's funding or ability to satisfy its rental payment obligation. Tenant shall pay the rent for the month in which such occurrence and termination takes place and shall have no other rental payment obligation to Landlord thereafter under this Lease Agreement or for the Premises. The Landlord shall retain its other remedies which are provided in the Lease but shall have no rights to collect any further rental payments from Tenant. Proof by Tenant of a

diminution in funding which was intended to be used as all or part of the funding for the payment of the rental under this Lease shall be sufficient if copies of supporting state or federal documents are furnished to Landlord or if the Executive Director of Tenant provide his or her Affidavit that such funding or other limiting eventuality has occurred.

ARTICLE 19 DEFAULTS AND REMEDIES

- 19.1 In the event of any failure by Landlord or Tenant to keep and comply with any of the terms, conditions, covenants or provisions of this Lease Agreement or to remedy any breach thereof, the defaulting party shall have thirty (30) days from the receipt of written notice of such default or breach within which to remove or cure said default or breach. In the even the defaulting party is diligently pursuing the removal or cure of such breach, a reasonable time shall be allowed beyond the thirty (30) days in which to complete the removal or cure of such breach. In the event of breach or default by Tenant which is not removed or cured following written notice and within the time limits set forth above, Landlord may, in addition to any other right of re-entry or possession and at Landlord's sole option, consider the Lease forfeited and terminated and may re-enter and take possession of the Premises, removing all persons and property therefrom with prior notification to Tenant so that arrangements concerning the removal of property by Tenant can be made prior to Landlord's entry for pursuant to this paragraph. In the event of breach or default by Landlord which is not removed or cured following written notice and within the time limits set forth above, Tenant may abate rental payments due pursuant to the payment scheduled herein until the Landlord removes or cures the breach or default, consider the Lease forfeited and terminated without any further rental payments and/or may seek all available and appropriate legal remedies.
- 19.2 <u>Late Charges</u>. Landlord and Tenant agree that the fixing of actual damages for Tenant's breach of any of the provisions of this Lease, including but not limited to the late payment by Tenant to Landlord of Rent and other amounts due hereunder, would cause Landlord to incur costs not contemplated by this Lease, the exact amount of which would be extremely difficult or impracticable to ascertain. Such costs include but are not limited to accounting, processing, administrative, legal and clerical charges and late charge which may be imposed upon Landlord by the terms of any mortgage covering the Premises. Accordingly, if any installment of rent or any other sum due from Tenant hereunder has not been received by Landlord or Landlord's agent within five (5) days after such amount was due, Tenant shall pay to Landlord a late charge equal to five percent (5%) of any such delinquent installment of Rent or any other delinquent sum due from Tenant. Tenant hereby agrees that said late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall not constitute a waiver of Tenant's default with respect to such overdue amount nor prevent Landlord from exercising any other rights and remedies provided for in this Lease, at law or in equity.
- 19.3 Interest on Past Due Obligations. Any and all amounts not paid to Landlord when due, including but not limited to rent, late charges and interest shall bear interest at the so-called "Prime Rate" published in *The Wall Street Journal*, as the same may change from time to time, plus five percent (5%) per annum, not to exceed the highest rate then allowed under any applicable usury laws ("Remedy Rate") from the date due until paid. Payment of such interest shall not excuse or cure any default by Tenant under this Lease and shall not affect any rights and remedies provided to Landlord in this Lease or at law or in equity, all of which shall be cumulative.

ARTICLE 20 SUBORDINATION AND ATTORNMENT

20.1 <u>Subordination</u>. This Lease is and shall be subordinate to any ground lease, first lien mortgage, first lien deed of trust deed of trust and/or any other hypothecation or security document and advances and obligations thereunder now existing or hereafter placed upon the Premises or the Project, and any renewals, modifications, consolidations, replacements, and extensions thereof (collectively "Mortgage"), provided, however, that in such case the holder of such mortgage, or the Landlord under such Lease shall agree that neither this Lease nor Tenant's right to quiet possession under this Lease shall not be divested or in any way affected by foreclosure, or other default proceedings under said mortgage, obligation secured thereby, or Lease, so long as the Tenant shall not be in default or with notice or passage of time or both would not be in default, under the terms, covenants, conditions and provisions of this Lease. Tenant agrees that this Lease shall remain in full force and effect notwithstanding any such default proceedings under said mortgage or obligation secured thereby. Such subordination shall be self-operative without any further act of any other party. Notwithstanding the foregoing, upon the request of Landlord, Tenant shall, from time to time, execute and deliver any documents or instruments that may be required by Landlord or the mortgage, beneficiary, ground Landlord or lender ("Landlord's Lender") under any such Mortgage, to

effectuate any subordination, provided that Landlord's Lender agrees not to disturb Tenant's right to quiet possession under this Lease so long as Tenant is not in default, or with notice or passage of time or both would not be in default, under the terms, covenants, conditions and provisions of this Lease. If Tenant fails to execute and deliver any such documents or instruments, Tenant irrevocably constitutes and appoints Landlord as Tenant's attorney-in-fact, to execute and deliver any such documents or instruments for the purpose described in this paragraph only. Notwithstanding the foregoing, if Landlord's Lender elects to have this Lease prior to the lien of its Mortgage, and gives written notice to Tenant of such election, this Lease shall be deemed prior to such Mortgage regardless of the respective dates of execution, delivery and recordation of this Lease and any such Mortgage.

- **20.2** Attornment. Tenant hereby attorns to and shall recognize the Landlord's Lender as Tenant's landlord under this Lease and shall promptly execute and deliver any instrument that Landlord may require to evidence such attornment. Tenant hereby irrevocably appoints Landlord as Tenant's attorney-in-fact, coupled with an interest, to execute, acknowledge and deliver the instrument of attornment on behalf of Tenant.
- 20.3 <u>Estoppel Certificate.</u> Tenant shall, at any time not less than fifteen (15) days after prior written notice from Landlord, execute, acknowledge and deliver to Landlord, a statement, in writing; (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of the modification and certifying that this Lease is otherwise unmodified and in full force and effect) and the dates to which the rental, additional rent and other charges have been paid in advance, if any, and (ii) acknowledging that, to Tenant's knowledge, there are no uncured defaults on the part of Landlord, or specifying each default if any are claimed, and (iii) setting forth all further information that Landlord may reasonably require. Tenant's statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the Building or Project.

Tenant's failure to deliver any Landlord estoppel statement within the provided time shall be conclusive upon Tenant that: (i) this Lease is in full force and effect without modification except as may be represented by Landlord, and (ii) there are no uncured defaults in Landlord's performance

Limitation of Liability. Neither the holder of a mortgage nor the holder of a deed of trust to which this Lease is or may be subordinate, shall be responsible in connection with the Security Deposit unless such mortgagee or holder of such deed of trust shall have actually received the Security Deposit. Landlord shall not be liable for any damages arising from any act or neglect of any other tenant of Landlord. Further, in no event shall Landlord incur any liability to Tenant, its employees, agents, customers or invitees as a result of any failure of any security system installed at the Project or any security procedure instituted at the Project unless said failure is the result of any negligent act or omission by Landlord. Landlord makes no representations or warranties concerning the ability of Landlord or its employees, agents, contractors or subcontractors to maintain the Project, the Common Area or the Premises in a secure fashion. In the event of any sale or transfer by Landlord of the Premises, Building or Project, and assignment of this Lease by Landlord, Landlord shall be and is hereby entirely freed and relieved of any and all liability and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Premises, Building, Project or Lease occurring after the consummation of such sale or transfer, providing the purchaser shall expressly assume all of the covenants and obligations of Landlord under this Lease. If any security deposit or prepaid Rent has been paid by Tenant, Landlord may transfer the security deposit or prepaid Rent to Landlord's successor and upon such transfer, Landlord shall be relieved of any and all further liability with respect thereto. Landlord's liability hereunder shall be limited to its interest in the Project and resort may not be had to any other assets of Landlord. In no event will Landlord be liable for any punitive, consequential or speculative damages.

ARTICLE 21 FORCE MAJEURE

If either party hereto shall be delayed in or prevented from the performance of any act required hereunder by reason of acts of God, labor troubles, inability to procure materials, restrictive governmental laws or regulations or other causes without fault and beyond the control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

ARTICLE 22 ASSIGNMENT AND SUBLETTING

Assignment and Subletting. Tenant may sublet or permit the Premises or any part thereof (excluding the roof area or portions thereof) to be used or occupied by others, with the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld or delayed, and any such sublease, or permission for occupancy without such consent shall be voidable at the option of Landlord. If this Lease is assigned, or if the Premises or any part thereof is sublet or occupied by any party other than Tenant, Landlord may, after default by Tenant, collect rent from the assignee, subtenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver by Landlord of Tenant's default, or the acceptance of the assignee, subtenant or occupant as a tenant, or a release of Tenant from the further performance by Tenant of the obligations on the part of Tenant set forth herein. The consent by Landlord to an assignment or subletting shall not be construed to relieve Tenant, the assignee or the subtenant from obtaining the express consent in writing of Landlord to any further assignment or subletting or to release Tenant from any liability, whether past, present, or future, under this Lease or form any liability under this Lease because of Landlords failure to give notice of default by Tenant (or by the assignee or subleases pursuant to the assumption agreement described below) under any of the terms, covenants, conditions, provisions or agreements or this Lease. A transfer of control of Tenant shall be deemed an assignment under this Lease and shall be subject to all of the provisions of this Article, including but not limited to the requirement of obtaining Landlords prior written consent, unless Tenant at the time of the proposed transfer is then a publicly held corporation. Notwithstanding the foregoing, no consent shall be required for an assignment or subletting by Tenant to any subsidiary of Tenant, its affiliate or related company. Furthermore, Tenant shall retain any profits which result from an assignment or sublease.

No subletting or assignment, even with the consent of Landlord, shall relieve Tenant of its obligation to pay rent and to perform all its other obligations under this Lease. Moreover, Tenant shall indemnify and hold Landlord harmless for any acts or omission by an assignee or subtenant. Each transferee, other than Landlord, shall assume all obligations of Tenant under this Lease and shall be liable jointly and severally with Tenant for, the payment of all rent, and for the due performance of all of Tenant's obligations under this Lease. No transfer shall be binding upon Landlord unless any document memorializing the transfer is delivered to Landlord and, if the transfer is an assignment or sublease, both the assignee/subtenant and Tenant deliver to Landlord an executed document which contains: (i) a covenant of assumption by the assignee/subtenant, and (ii) an indemnification agreement by Tenant, both reasonably satisfactory in substance and form to Landlord and consistent with the requirements of this Article; provided that the failure of the assignee/subtenant or Tenant to execute the instrument of assumption shall not release either from any obligation under this Lease.

The acceptance by Landlord of any payment due under this Lease from any other person shall not be deemed to be a waiver by Landlord of any provision of this Lease or be a consent to any transfer. Consent by Landlord to one or more transfers shall not operate as a waiver or estoppel to the future enforcement by Landlord of its rights under this Lease

22.2 Request for Transfer. If Tenant desires to sublease all or a portion of the Premises or assign this Lease and provided Tenant is not in default hereunder, Tenant shall give written notice to Landlord setting forth the name and address and including the current certified financial statements of the proposed assignee or sublessee, the experience and background of the proposed assignee or sublessee, the terms of the proposed assignment or subletting, and such other information as Landlord or its mortgagee may request in connection therewith. Landlord shall have the right, exercisable by written notice to Tenant, within thirty (30) days after receipt of Tenant's notice to consent or refuse to consent thereto, and if Landlord fails to notify Tenant, it shall be deemed to have refused to consent thereto.

ARTICLE 23 NOTICES

All notices, information, requests or replies ("Notice") required or permitted to be given hereunder shall be given in writing and shall be sent by United States registered or certified mail postage prepaid, or by nationally recognized overnight delivery service (provided that such service is able to furnish evidence of receipt or refusal of delivery) addressed to the addresses of Tenant and Landlord specified as "Addresses for Notices and Reports" in Section 1.17, or at such other place as either Landlord or Tenant may, from time to time designate in a written notice by certified mail given to the other. Notice shall be deemed to be given upon the earlier of receipt (or refusal to receive) same by the party to whom the Notice is sent or three (3) days after the date of the mailing thereof.

ARTICLE 24 QUIET ENJOYMENT

Tenant, upon keeping, observing and performing all of the covenants and agreements of this Lease on its part to be kept, observed; and performed, shall lawfully and quietly hold, occupy and enjoy the Premises during the Term of this Lease.

ARTICLE 25 ATTORNEYS' FEES

Should either party commence an action against the other to enforce any obligation hereunder, the prevailing party shall be entitled to recover the costs thereof and attorneys' fees actually incurred by such prevailing party (including the fees and charges of legal assistants or other non-attorney personnel performing services under the supervision of an attorney), whether or not such litigation is prosecuted to judgment. Landlord and Tenant covenant and agree that Landlord and Tenant intend by this Article to compensate for attorneys' fees actually incurred by the prevailing party at such attorney's then normal hourly rates and that this Article shall constitute an instruction to the court that such rate or rates shall be deemed reasonable.

ARTICLE 26 WAIVER

No waiver of any default or breach of any covenant by either party hereunder shall be implied from any omission by either party to take action on account of such default if such default persists or is repeated. Landlord's acceptance of any payment which is less than that required to be paid by Tenant shall be deemed to have been received only on account of the obligation for which it is paid and shall not be deemed an accord and satisfaction, notwithstanding any provisions to the contrary asserted by Tenant, written on any check or contained in any transmittal letter. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term or covenant hereof, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. An express waiver must be in writing and signed by a person with the power to contractually bind Tenant or Landlord. An express waiver shall affect only the default specified in the waiver, and only for the time and to the extent expressly stated. Waivers by either party of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

ARTICLE 27 BANKRUPTCY

- 27.1 <u>Tenant's Interest Not Transferable.</u> Neither this Lease, nor any interest herein nor any estate hereby created shall pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law, except as may be specifically provided pursuant to the Bankruptcy Code (11 U.S.C. §101, et, seq.).
- 27.2 The Tenant agrees that in the event all or a substantial portion of the Tenant's assets are placed in the hands of a receiver or a Trustee, and such status continues for a period of 30 days, or should the Tenant make an assignment for the benefit of creditors or be adjudicated bankrupt, or should the Tenant institute any proceedings under the bankruptcy act or any amendment thereto, then such Lease or interest in and to the lease premises shall not become an asset in any such proceedings and, in such event, and in addition to any and all other remedies of the Landlord hereunder or by law provided, it shall be lawful for the Landlord to declare the term hereof ended and to reenter the lease land and take possession thereof and all improvements thereon and to remove all persons therefrom and the Tenant shall have no further claim thereon.

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ARTICLE 28 INTERPRETATION AND APPLICATION

28.1 <u>Submission of Lease</u>. Submission of this instrument for examination or signature by Tenant does not constitute an offer, a reservation of, option for or option to lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

- **28.2** Governing Law. This Lease shall be construed in accordance with and governed by the statutes, decisions, and other laws of the State of Nevada. Tenant hereby consents to the personal jurisdiction and venue of any State court of competent jurisdiction located in Clark County, Nevada or Federal court located in Las Vegas, Nevada and the service of process by any means authorized by any such State or Federal court.
- **28.3** <u>Complete Agreement.</u> This Lease contains all terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect. The terms of this Lease were fully negotiated by the parties hereto and shall not be construed for or against Landlord or Tenant, because either Landlord or Tenant may have drafted this Lease and this Lease shall be interpreted in accordance with the general meaning of the language herein contained in an effort to reach the intended result.
- **28.4** <u>Amendment</u>. This Lease may not be amended, altered or modified in any way except in writing signed by the parties hereto.
- **28.5** No Partnership. It is agreed that nothing contained in this Lease shall be deemed or construed as creating a partnership or joint venture between Landlord and Tenant or between Landlord and any other party, or cause Landlord to be responsible in any way for the debts or obligations of Tenant or any other party.
- **28.6** No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work as a merger, but shall, at the option of Landlord, either terminate all or any existing subleases or subtenancies, or operate as an assignment to Landlord of any or all such subleases or subtenancies.
- **28.7** Severability. If any provision of this Lease or application thereof to any person or circumstances shall to any extent be invalid, the remainder of this Lease (including the application of such provision to persons or circumstances other than those to which it is held invalid) shall not be affected thereby, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.
- **28.8** Captions. The captions of the Articles and Sections hereof are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.
- **28.9** <u>Words</u>. The words "Landlord" and "Tenant", as used herein, shall include the plural as well as the singular. Words used in the neuter gender include the masculine and feminine. If Tenant is comprised of more than one individual or entity, the obligations imposed upon Tenant hereunder shall be joint and several to all parties signing this Lease as Tenant.
- **28.10** Exhibits. The Exhibits, if any, and any Schedules or Riders attached to this Lease are incorporated herein by this reference and made a part hereof, and any reference in the body of the Lease or in the Exhibits, Schedules, or Riders to the Lease shall mean the Lease together with all Exhibits, Schedules and Riders.

ARTICLE 29 MISCELLANEOUS

- **29.1** Time. Time is of the essence of each provision hereof.
- **29.2** <u>Successors.</u> Subject to the restrictions on transfer contained in Article 23 hereof, all the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.
- **29.3** <u>Recordation.</u> Tenant shall not record this Lease or any memorandum hereof. Landlord has the right in its absolute discretion to record this Lease or a memorandum hereof, and, upon Landlord's request, Tenant shall execute and have acknowledged the same for recordation and shall pay all required documentary transfer taxes in connection therewith.

- **29.4** No Recourse. The obligations of the Landlord under this Lease shall be without recourse to the assets of any partner, member, officer, shareholder, director or employee of Landlord or any partner of any partner of Landlord.
- 29.5 <u>Broker</u>. Except for the brokers specified in Section 1.16 of this Lease, if any, Landlord and Tenant represent and warrant to each other that it has not retained the services of any other broker or real estate licensee and owes no other person or entity any finder's or broker's fee, commission or payment of any kind whatsoever. Landlord and Tenant shall defend, indemnify and hold the other harmless from and against any and all claims, demands, costs, expenses or liabilities related to or connected with any broker's or finder's fee, commission or payment of any kind asserted by any person or entity, based on an agreement allegedly made by the indemnifying party, except for the broker specified in Section 1.16 of this Lease.
- 29.6 <u>Trade Names and Trademarks</u>. Tenant shall not make any use, commercial or otherwise (except to the extent necessary to identify the Premises), of the names or marks of the Project and/or any other similar names or marks without the prior written consent of Landlord, nor shall Tenant otherwise engage in conduct inconsistent with Landlord's sole and exclusive rights to its trade names and trademarks, including but not limited to the foregoing marks.
- 29.7 <u>Sign Control.</u> Landlord shall provide Building Standard lobby directory signage and suite identification signage, wherein all costs associated with the construction installation of such signage shall be at Landlord's sole cost and expense. Tenant shall be responsible for any additional signage, if any, and shall comply with all signage requirements set forth in Exhibit "C" and shall further not affix, paint, erect or inscribe any sign, projection, awning, signal or advertisement of any kind to any part of the Premises, Building or Project, including without limitation, the inside or outside of windows or doors, without the written consent of Landlord. Landlord shall have the right to remove any signs or other matter, installed without Landlord's permission, without being liable to Tenant by reason of such removal, and to charge the cost of removal to Tenant as additional rent hereunder, payable within ten (10) days of written demand by Landlord.
- **29.8** Counterparts. This Lease may be executed in multiple counterparts, all of which shall constitute one and the same Lease.
- 29.9 Mortgagee Protection. Tenant agrees to send by certified or registered mail to any first mortgagee or first deed of trust beneficiary of Landlord whose address has been furnished to Tenant, a copy of any notice of default served by Tenant on Landlord. If Landlord fails to cure such default within the time provided for in this Lease, such mortgagee or beneficiary shall have an additional thirty (30) days to cure such default; provided that if such default cannot reasonably be cured within that thirty (30) day period, then such mortgagee or beneficiary shall have such additional time to cure the default as is reasonably necessary under the circumstances.
- 29.10 <u>Disputes</u>. If any dispute should arise in relation to this Lease Agreement the Landlord and Tenant shall first negotiate amongst themselves in "good faith." Afterwards, if the dispute is not resolved then the Lessor and Lessee shall seek mediation in accordance with the laws in the State of Nevada. If the Lessor and Lessee fail to resolve the dispute through mediation then the American Arbitration Association shall be used in accordance with their rules. Lessor and Lessee agree to the binding effect of any ruling or judgment made by the American Arbitration Association.
- 29.11 <u>Independently Provided Services</u>. This Lease is entirely separate and distinct from and independent of any and all agreements that Tenant may at any time enter into with any third party for the provision of services, which include, but are not limited to, telecommunications, office automation, repair, maintenance services, computer and photocopying ("Independent Services"). Tenant acknowledges that Landlord has no obligation of any type concerning the provision of Independent Services, and agrees that any cessation or interruption of Independent Services or any other act or neglect by the third party providing the Independent Services shall not constitute a default or constructive eviction by Landlord. Tenant agrees, except to the extent of the gross negligence of Landlord, its partners, employees, agents and/or assigns, to hold harmless and defend Landlord, its partners, employees, agents and assigns from any claim Tenant may have arising in any way out of the provision (or lack thereof) of the Independent Services which Tenant has contracted to receive from the third parties. In no event shall Landlord be liable to Tenant for incidental, consequential, indirect or special damages (including lost profits) which may arise in any way out of a claim concerning Independent Services.

29.13 <u>Act of Landlord.</u> No act or conduct of Landlord, including, without limitation, the acceptance of keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the Term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of the Lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant.

IN WITNESS WHEREOF, the parties hereto have executed this Lease or, as the case may be, have caused their officers thereunto duly authorized to execute this Lease the day and year first above written.

AGREED AND ACCEPTED: LANDLORD: **TENANT:** Transwestern Investment Holdings VD, Nevada State Board of Dental Examiners LLC Pageantry 1D LLC, Pageantry 2D LLC, Pageantry 3D LLC, Pageantry 4D LLC, Pageantry 5D LLC. Pageantry 6D LLC. Pageantry 7D LLC, Pageantry 8D LLC By: Debra Shaffer-Kugel Its: Agent Its: Executive Director Date: Yvonne Berthea, RDH Its: _____ Board President Date: _____ State of Nevada Authorized Signature Date: Approved by Board of Examiners:

Board of Examiners

lts:	,
Date:	
Approved as to form by:	
Ву:	
Its: Deputy Attorney General for Attorney General	
Date:	

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EXHIBIT A

MEMORANDUM OF LEASE COMMENCEMENT

This Memorandum of L Investment Holdings VD, LLC, et and Tenant agree to and acknowledge	<u>t al</u> ("Landlord"), and Nevada St	as of2020, by <u>Transwestern</u> tate Board of Dental Examiners (Tenant"). Landlord
approved by the State Board of	Examiners on, 20°	e dated as of August, 2019, ("Lease"), and 19, covering the Premises in the Project located at a more particularly described in the Lease.
2. All terms define Lease Commencement.	ed in the Lease shall have the	same meaning when used in this Memorandum of
3. The Lease Co February 28, 2027, not including		1, 2020 and the Expiration Date of the Lease is rticularly described in the Lease.
IN WITNESS WHEREO as of the day and year first above		recuted this Memorandum of Lease Commencement
		·
LANDLORD:	TE	ENANT:
Transwestern Inves LLC Pageantry 1D LLC, Pageantry 2D LLC, Pageantry 3D LLC, Pageantry 4D LLC, Pageantry 5D LLC, Pageantry 6D LLC, Pageantry 7D LLC, Pageantry 8D LLC,	tment Holdings VD, No	levada State Board of Dental Examiners
By: 5 e?	Ву:	Debra Shaffer-Kugel
Its: Agent_	Its:	Executive Director
Date: 9/6/19	Date	e:
	Ву: _	Yvonne Berthea, RDH
	Its: _	Board President
	Date	e.

State of Nevada Authorized Signature
State of Nevada Authorized Signature
Its:
Date:
Approved by Board of Examiners:
Bv:
Board of Examiners
Its:
Date:
Approved as to form by:
By:
Its: Deputy Attorney General for Attorney General
Date:

EXHIBIT B

RULES

- 1. Tenant shall not obstruct or interfere with the rights of other tenants of the Building/Project, or in any way injure or annoy such tenants or persons. Tenant will not conduct any activity within the Premises, which will create excessive traffic or noise anywhere in the Building/Project.
- 2. Canvassing, soliciting and peddling in the Building/Project are prohibited, and Tenant shall cooperate to prevent such activities.
- Tenant shall not bring or keep within the Building/Project any animal, bicycle, motorcycle, or other type of vehicle except as required by law.
- 4. All office equipment and any other device of any electrical or mechanical nature shall be placed by Tenant in the Premises in settings approved by Landlord, so as to absorb or prevent any vibration, noise, or annoyance. Tenant shall not construct, maintain, use or operate within the Premises, or elsewhere in the Building/Project or outside of the Building/Project any equipment or machinery which produces music, sound or noise, which is audible beyond the Premises. Tenant shall not cause improper noises, vibrations or odors within the Building/Project.
- 5. Tenant shall not deposit any trash, refuse, cigarettes, or other substances of any kind within or out of the Building/Project, except in the refuse containers provided therefore. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of office Building/Project trash and garbage without being in violation of any law or ordinance governing such disposal. Tenant shall be charged the cost of removal for any items left by Tenant that cannot be so removed. All garbage and refuse disposal shall be made only through entryways and elevators provided for such purposes and at such times as Landlord shall designate. Tenant shall not introduce into the Building/Project any substance which might add an undue burden to the cleaning or maintenance of the Premises or the Building/Project. Tenant shall exercise its best efforts to keep the sidewalks, entrances, passages, courts, lobby areas, garages or parking areas, elevators, escalators, stairways, vestibules, public corridors and halls in and about the Building/Project (hereinafter referred to as "Common Areas") clean and free from rubbish. No tenant shall cause any unnecessary labor by reason of such tenant's carelessness or indifference in the preservation of good order and cleanliness. Landlord shall not be responsible to any tenant for any loss of property on the Premises, however occurring, or for any damage done to the effects of any tenant by the cleaning service hired by Tenant or any other employee or any other person not employed or contracted by Landlord.
- 6. Tenant shall use the Common Areas only as a means of ingress and egress, and Tenant shall permit no loitering by any persons within Tenant's control upon Common Areas or elsewhere within the Building/Project. The Common Areas and roof of the Building/Project are not for the use of the general public, and Landlord shall in all cases retain the right to control or prevent access thereto by all persons whose presence, in the judgment of the Landlord, shall be prejudicial to the safety, character, reputation or interests of the Building/Project and its tenants; however, Landlord shall maintain and provide emergency exit access to the roof and such emergency access shall be accessible to Tenant at all times. Tenant shall not enter or install equipment in the mechanical rooms, air conditioning rooms, electrical closets, janitorial closets, or similar areas or go upon the roof of the Building/Project without the prior written consent of Landlord, except in emergency. No tenant shall install nay radio or television antenna, loudspeaker, or other device on the roof or exterior walls of the Building/Project.
- 7. Without limitation upon any of the provisions of the Lease, Tenant shall not mark, paint, drill into, cut, string wires within, or in any way deface any part of the Building/Project, without the prior written consent of Landlord, and as Landlord may direct. Upon removal of any wall decorations or installments or floor coverings by Tenant, any damage to the walls or floors shall be re-paired by Tenant at Tenant's sole cost and expense. Tenant shall not lay linoleum or similar floor coverings so that the same shall come into direct contact with the floor of the Premises and, if linoleum or other similar floor covering is to be used, an interlining of builder's deadening felt shall be first affixed to the floor, by a paste or other materials soluble in water. The use of cement or other similar adhesive material is expressly prohibited. Floor distribution boxes for electric and telephone wires must remain accessible at all times.
- 8. Tenant shall not use the washrooms, restrooms and plumbing fixtures of the Building/Project, and appurtenances thereto, for any other purpose than the purpose for which they were constructed, and Tenant

shall not deposit any sweepings, rubbish, rags or other improper substances therein. Tenant shall not waste water in interfering or tampering with the faucets or otherwise. If Tenant's servants, employees, agents, contractors, jobbers, licensees, invitees, guests or visitors cause any damage to such washrooms, restrooms, plumbing fixtures or appurtenances, such damage shall be repaired at Tenant's expense, and Landlord shall not be responsible therefore.

- 9. Subject to applicable fire or other safety regulations, all doors opening onto Common Areas and all doors upon the perimeter of the Premises shall be kept closed and, during non-business hours, locked; except when in use for ingress or egress. If Tenant used the Premises after regular business hours or on non-business days, Tenant shall lock any entrance doors to the Building/Project or to the Premises used by Tenant immediately after using such doors. Tenant shall cooperate with energy conservation by limiting use of lights to areas occupied during non-business hours.
- 10. Employees of Landlord shall not receive or carry messages for or to Tenant or any other person, nor contract with nor render free or paid services to Tenant or Tenant's servants, employees, contractors, jobbers, agents, invitees, licensees, guests or visitors. In the event that any of Landlord's employees perform any such services, such employees shall be deemed to be the agents of Tenant regardless of whether or how payment is arranged for such services, and Tenant hereby indemnifies and holds Landlord harmless from any and all liability in connection with any such services and any associated injury or damage to property or injure or death to persons resulting there from.
- All keys to the exterior doors of the Premises shall be obtained by Tenant from Landlord, and Tenant shall pay to Landlord a reasonable deposit determined by Landlord from time to time for such keys. Tenant shall not make duplicate copies of such keys. Tenant shall, upon the termination of its tenancy, provide Landlord with the combinations to all combination locks on safes, safe cabinets and vaults that have become permanent fixtures pursuant to the terms of the Lease, and deliver to Landlord all keys to the Building/Project, the Premises and all interior doors, cabinets, and other key-controlled mechanisms therein, whether or not such keys were furnished to Tenant by Landlord. In the event of the loss of any key furnished to Tenant by Landlord, Tenant shall pay to Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such a change. The word "key" as used herein shall refer to keys, keycards, and all such means of obtaining access through restricted access systems.
- 12. For purposes hereof, the terms "Landlord", "Tenant", "Building/Project" and "Premises" are defined as those terms in the Lease to which these Rules and Regulations are attached. The term "Building/Project" shall include the Premises, and any obligations of Tenant hereunder with regard to the Building/Project shall apply with equal force to the Premises and to other parts of the Building/Project.
- 13. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the agreements, covenants, conditions and provisions of any lease of the Premises in the Building/Project.

e)

EXHIBIT C

SIGN CRITERIA

GENERAL

Signs are not only effective as Tenant identification but are a source of interest, excitement and good advertising when designed with taste and in harmony with the design standards of the office complex. The sign regulations herein have been set up for the purpose of achieving the best possible effect for office identification and overall design, while allowing each tenant creativity within the limits of their leasehold. Experience has proven that all Tenants in the building benefit by the establishment of sign controls such as herein set forth.

I. APPROVALS

A. The design and construction of Tenant's exterior sign MUST receive written approval by Landlord prior to fabrication and installation.

Landlord's approval shall be based on:

- Conformity to the sign criteria established for the building, including fabrication and method
 of installation.
- 2) Harmony of the proposed sign with design standards of the building and co-tenants.

Landlord has the specific right to refuse approval of any sign, which does not conform to the specific criteria set forth herein.

B. Unless Landlord and design consultant have both received the above described plans in the quantities set forth above, Landlord will not approve Tenant's exterior sign.

The sign drawings are to be prepared by a reputable STATE licensed sign contractor. The sign drawings must indicate the following information:

- A scaled storefront drawing reflecting the proposed sign design and all dimensions, as it relates to the storefront elevation of tenant's premises.
- 2) A plot plan and elevation indicating location of Tenant's sign.
- C. All drawings marked "Disapproved" or "Approved as Noted" must be re-submitted as here and above set forth in Paragraph "B" with required corrections. Tenant or its sign contractor will not be permitted to commence installation of the exterior sign, unless the following conditions have occurred:
 - 1) A stamped set of the final sign drawings reflecting Landlord or Landlord's design consultant's approval are retained at tenant's premises at all times during the installation of design and for a period of thirty (30) days thereafter.
 - 2) Tenant and/or tenants sign contractor shall obtain all necessary permits and approvals.

II. GENERAL SIGN CRITERIA AND RESTRICTIONS

- A. All tenant signage shall be located only on the space and on the surface specially provided for same on the building exterior. No other signage is permitted on the exterior of the premises.
- B. Tenant is responsible to field verify that Tenant's proposed signage will fit attractively on Tenant's signband area prior to fabrication of signage.
- C. The face colors and type styles of all signs shall be subject to Landlord's approval.
- D. The Tenant shall pay for all signs, their installation (including final connection, transformers and all other labor and materials) and maintenance. Tenant sign contractor must file, pay for and obtain any licenses, permits and variances as required for sign installation.

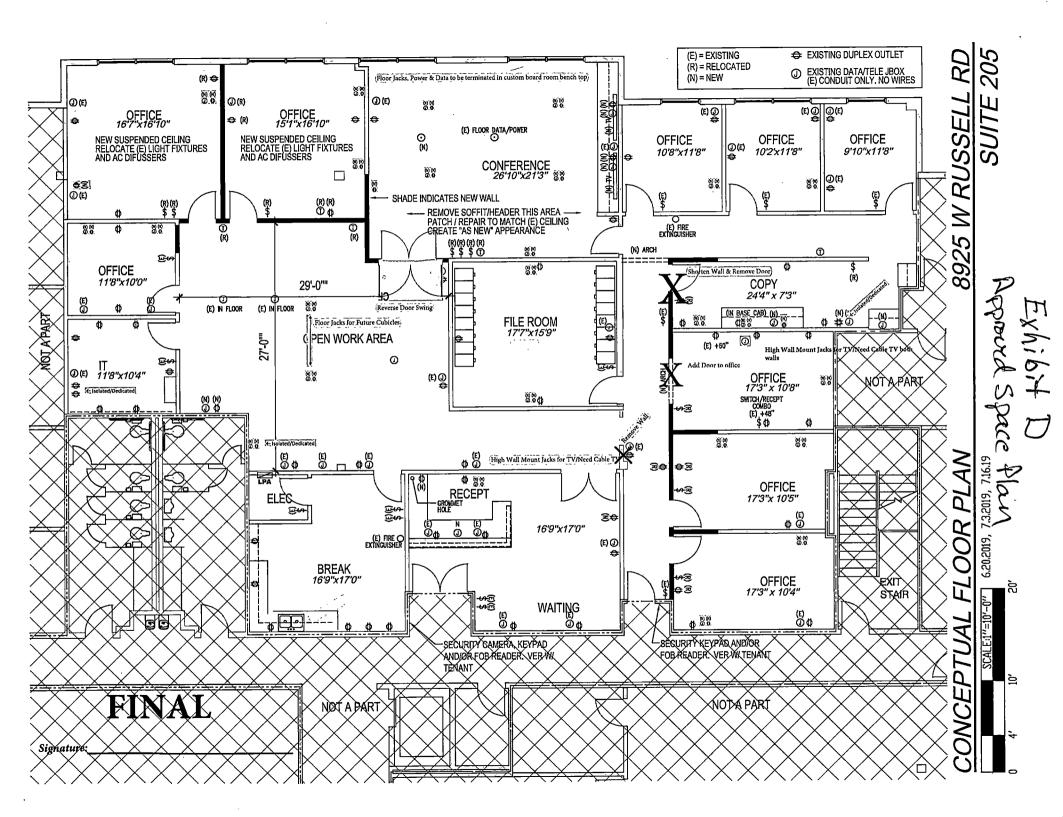


EXHIBIT E

SCOPE OF WORK

SUPPLY AND INSTALL FRAMING AND DRYWALL SUPPLY

AND INSTALL WALL INSULATION TAPING AND TEXTURE,

WALL PREP

PAINTING

SUPPLY AND INSTALL ELECTRICAL POWER AND LIGHTING, DATA/PHONE CONDUITS AND ACCESS CARD CONDUITS

REDUCT H.V.A.C. TO ACCOMODATE NEW OFFICES

AND INSTALL FIRE SPRINKLERS

SUPPLY AND INSTALL ACOUSTIC CEILINGS AT DEMO AREAS SUPPLY AND

INSTALL 3 NEW DOORS, RELOCATE 4 EXISTING DOORS SUPPLY AND INSTALL

NEW MINI BLINDS ON EXTERIOR WINDOWS

RE-LAMINATE COUNTER TOP ON THE LOWER CABINET IN COPY ROOM INCLUDING THE TWO SMALLER

LOWER CABINETS AT END OF COPY ROOM WITH FORMICA TO MATCH

DRILL GROMMET HOLE IN EXISTING GRANITE TOP

DEMOLITION & TRASHOUT OF FLOORING, PREP FLOORS FOR NEW FLOORING SUPPLY

AND INSTALL VYNAL PLANK FLOORING AND CARPETING AS DESIGNATED

SUPPLY AND INSTALL VINYL BASE SUPPLY

EXCLUDES ALL ALARM SYSTEMS
EXCLUDES PHONE / DATA CABLING
EXCLUDES ACCESS CARD SYSTEMS

EXHIBIT F

APPROVED FIRE RATED FILING CABINETS

File cabinet approximate weight

FILE CABINETES PLACED IN FILE ROOM

10 fire king 4 drawer width 18" x depth 25"
Without files approx. weight 508 lbs each; total for ten = 5080 lbs
With files approx. weight 808 lbs each; total for ten = 8080 lbs

3 fire king 4 drawer width 21" x depth 25"
Without files approx. weight 551 lbs each; total for three = 1653 lbs
With files approx. weight 851 lbs each; total for three = 2553 lbs

3 fire king 4 drawer width 44" x depth 22"
Without files approx. weight 1019 lbs each; total for Three = 3057 lbs
With files approx. weight 1700lbseach total for Three = 2100 lbs

1 basic file cabinet 4 drawer width 42" x depth 22" Without files approx. weight 220 lbs
With files approx. weight 820 lbs

3 basic file cabinet 4 drawer width 18" x depth 30"
Without files approx. weight 67 lbs total for three =201 lbs
With files approx. weight 217 lbs total for three = 651 lbs

Total weight for all file cabinets for file room without files = 10211 lbs Total weight for all file cabinets for file room with files = 14204 lbs

OTHER FILE CABINETS PLACED THROUGHOUT TENANTS PREMISES:

<u>Candice office</u> - 1 fire king 4 drawer width 44" x depth 22" Without files approx. weight 1019 lbs With files approx. weight 1700lbs

Sandra office - 1 fire king 4 drawer width 18" x depth 25" Without files approx. weight 508 lbs With files approx. weight 808 lbs

Melanie office - 1 fire king 4 drawer width 18" x depth 25" Without files approx. weight 508 lbs With files approx. weight 808 lbs

<u>Deb office</u> - 2 fire king 4 drawer width 18" x depth 25" Without files approx. weight 508 lbs each; total for two = 1016lbs With files approx. weight 808 lbs each; total for two = 1616 lbs

3 fire king 4 drawer width 18" x depth 31 1/2"
Without files approx. weight 603 lbs each; total for Three = 1809 lbs
With files approx. weight 1083 lbs each; total for Three = 3249 lbs

The site plan is for informational purposes only and does not constitute any warranty

